

**MASB-SEG Property/Casualty Pool, Inc.  
and Subsidiary  
(a not-for-profit corporation)**

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**Financial Report  
with Required Supplemental Schedules  
June 30, 2006**

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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### Independent Auditor's Report

To the Board of Trustees  
MASB-SEG Property/Casualty  
Pool, Inc. and Subsidiary

We have audited the accompanying basic financial statements of MASB-SEG Property/Casualty Pool, Inc. and Subsidiary as of and for the year ended June 30, 2006. These financial statements are the responsibility of the Pool's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of MASB-SEG Reinsurance Limited, a component unit, whose statements reflect total assets of \$5,974,429 and total revenue of \$190,911. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for MASB-SEG Reinsurance Limited, is based solely on the report of the other auditors. The prior year summarized comparative information has been derived from the Pool's 2005 financial statements and, in our report dated September 2, 2005, we expressed an unqualified opinion on the basic financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of MASB-SEG Property/Casualty Pool, Inc. and Subsidiary at June 30, 2006 and 2005 and the changes in financial position, including cash flows, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board (GASB). We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

To the Board of Trustees  
MASB-SEG Property/Casualty  
Pool, Inc. and Subsidiary

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2005, from which such summarized information was derived.

*Plante & Moran, PLLC*

August 22, 2006

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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## **Management's Discussion and Analysis**

### **Using this Annual Report**

This annual report consists of the statement of net assets, the statement of revenue, expenses, and changes in net assets, and the statement of cash flows. Along with the footnotes, they provide detailed financial information concerning MASB-SEG Property/Casualty Pool, Inc. and Subsidiary (the "Pool"). This section, the management's discussion and analysis, is intended to provide an overview of the Pool's financial condition, result of operations, and other key information.

### **Financial Overview**

In analyzing the Pool's financial position, it is important to recognize the mission of the Pool. From a financial perspective, the Pool's general objectives are to formulate, develop, and administer, on behalf of the members, a program of insurance, to obtain lower costs for that coverage, and to develop a comprehensive loss prevention program. As of June 30, 2006, 468 educational institutions within the state of Michigan participate in the Pool.

The key financial statistics for the Pool would be based on total anticipated claims to be paid in a specific policy year as compared to the contributions received from members, otherwise known in the industry as a "loss ratio."

|                                | Policy Year Ended |               |               |
|--------------------------------|-------------------|---------------|---------------|
|                                | 2006              | 2005          | 2004          |
| Total premiums                 | \$ 33,012,422     | \$ 32,184,839 | \$ 30,717,560 |
| Total estimated claim payments | \$ 12,453,550     | \$ 14,291,169 | \$ 12,616,301 |
| Loss ratio                     | 37.7%             | 44.4%         | 41.1%         |

Total estimated claim payments for each policy year consist of claim payments and an estimate of unsettled claims estimated by a third-party administrator and an estimate of claims incurred but not reported by an independent actuary. The methods of making such estimates are continuously reviewed by management and, according to industry practice, any changes to these estimates will have an impact on reported results of future periods. Claim payments can change significantly from period to period because the ultimate amount paid for claims is dependent on the frequency of claims filed as well as other events such as jury decisions, court interpretations, and legislative changes.

## **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

### **Management's Discussion and Analysis (Continued)**

#### **Financial Overview (Continued)**

To reduce the Pool's exposure to large specific claims, the Pool enters into excess insurance contracts to recover specific claim losses in excess of stated amounts in the excess insurance contract. Currently, the per claim limit totals \$500,000.

The Pool's total assets, liabilities, and net assets remained consistent from a year ago. Approximately 96 percent, 94 percent, and 98 percent in 2006, 2005, and 2004, respectively, of the assets consist of investments. Approximately 62 percent, 61 percent, and 76 percent in 2006, 2005, and 2004, respectively, of total liabilities consist of reserves for claims. Due to the nature of property/casualty claims and the related reporting and settlement processes of claims, it is anticipated, based on historical averages of the Pool, that approximately 32 percent of the estimated reserves for claims will be settled within one year. The analysis below presents a comparison of the Pool's current year financial position to the prior years:

|                                  | <b>2006</b>          | <b>2005</b>          | <b>2004</b>          |
|----------------------------------|----------------------|----------------------|----------------------|
| Total assets                     | <b>\$ 65,513,941</b> | <b>\$ 60,816,925</b> | <b>\$ 58,981,772</b> |
| Current liabilities              | \$ 14,888,872        | \$ 12,594,564        | \$ 12,238,408        |
| Long-term liabilities            | <b>9,819,177</b>     | <b>8,697,594</b>     | <b>13,284,050</b>    |
| Total liabilities                | 24,708,049           | 21,292,158           | 25,522,458           |
| Net assets - Unrestricted        | <b>40,805,892</b>    | <b>39,524,767</b>    | <b>33,459,314</b>    |
| Total liabilities and net assets | <b>\$ 65,513,941</b> | <b>\$ 60,816,925</b> | <b>\$ 58,981,772</b> |

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

## **Management's Discussion and Analysis (Continued)**

### **Financial Overview (Continued)**

The following table shows the major components of income from operations for the current year compared to the prior years:

|                                                                        | <b>2006</b>         | <b>2005</b>         | <b>2004</b>         |
|------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Revenue</b>                                                         |                     |                     |                     |
| Premiums                                                               | \$ 33,087,422       | \$ 32,234,839       | \$ 30,727,561       |
| Investment earnings                                                    | 2,153,254           | 1,825,779           | 1,723,844           |
| Realized and unrealized gains and losses<br>on investments             | (776,872)           | 344,048             | 596,592             |
| Total revenue                                                          | 34,463,804          | 34,404,666          | 33,047,997          |
| <b>Expenses</b>                                                        |                     |                     |                     |
| Total provision for claims                                             | (12,717,025)        | (9,783,548)         | (10,387,721)        |
| Total operating expenses                                               | (15,476,834)        | (14,286,252)        | (12,286,935)        |
| Total expenses                                                         | (28,193,859)        | (24,069,800)        | (22,674,656)        |
| <b>Excess of Revenue Over Expenses</b>                                 | 6,269,945           | 10,334,866          | 10,373,341          |
| <b>Premium and Investment Earnings<br/>Surplus Returned to Members</b> | (4,988,820)         | (4,269,413)         | (4,112,213)         |
| <b>Total Increase in Net Assets</b>                                    | <b>\$ 1,281,125</b> | <b>\$ 6,065,453</b> | <b>\$ 6,261,128</b> |

The increase in operating expenses during 2006 is a result of an increase in the MCCA assessment from the state of Michigan and an increase in reinsurance fees. Total provision for claims, as noted above, is dependent on many factors and will change from year to year based on these factors.

### **Economic Factors and Next Year's Rates**

The expected rates charged by the Pool for premiums for the next fiscal year are not expected to increase. MCCA assessment is expected to decrease by 3 percent as a result of anticipated rate decreases by the state of Michigan. All other operating expenses are expected to remain consistent with amounts reported in 2006. The provision for claim payments is expected to be consistent with historical trends and we are unaware of any economic events or legislative events that would have a significant impact on the operations of the Pool.

## **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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### **Management's Discussion and Analysis (Continued)**

#### **Contacting the Pool's Management**

This financial report is intended to provide our members and regulators with a general overview of the accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact Timothy J. Averill, CPA, director of finance and corporate operations, MASB-SEG Property/Casualty Pool, Inc. and Subsidiary, at 517-482-0871.

# MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

## Statement of Net Assets

|                                                                                 | June 30                                     |                                    |                      |                      |
|---------------------------------------------------------------------------------|---------------------------------------------|------------------------------------|----------------------|----------------------|
|                                                                                 | 2006                                        |                                    | 2005                 |                      |
|                                                                                 | MASB-SEG<br>Property/Casualty<br>Pool, Inc. | MASB-SEG<br>Reinsurance<br>Limited | Totals               | Totals               |
| <b>Assets</b>                                                                   |                                             |                                    |                      |                      |
| Cash and cash equivalents (Note 2)                                              | \$ 1,054,214                                | \$ 279,879                         | \$ 1,334,093         | \$ 75,701            |
| Investments (Note 2)                                                            | 56,940,407                                  | 5,647,934                          | 62,588,341           | 57,406,288           |
| Premiums receivable                                                             | 37,854                                      | -                                  | 37,854               | 1,049                |
| Accounts receivable - Reinsurance (Note 6)                                      | 191,150                                     | -                                  | 191,150              | 2,178,777            |
| Prepaid assets                                                                  | 882,720                                     | 46,616                             | 929,336              | 729,161              |
| Accrued interest receivable                                                     | 433,167                                     | -                                  | 433,167              | 425,949              |
| Total assets                                                                    | <u>\$ 59,539,512</u>                        | <u>\$ 5,974,429</u>                | <u>\$ 65,513,941</u> | <u>\$ 60,816,925</u> |
| <b>Liabilities and Net Assets</b>                                               |                                             |                                    |                      |                      |
| <b>Liabilities</b>                                                              |                                             |                                    |                      |                      |
| Current liabilities:                                                            |                                             |                                    |                      |                      |
| Accounts payable                                                                | \$ 649,201                                  | \$ 20,382                          | \$ 669,583           | \$ 1,556,462         |
| Deferred revenue                                                                | 3,529,289                                   | 160,000                            | 3,689,289            | 2,448,102            |
| Current portion of reserves for<br>claims (Note 4)                              | 5,530,000                                   | -                                  | 5,530,000            | 4,290,000            |
| Premium and investment earnings surplus<br>due to members (Note 5)              | 5,000,000                                   | -                                  | 5,000,000            | 4,300,000            |
| Total current liabilities                                                       | 14,708,490                                  | 180,382                            | 14,888,872           | 12,594,564           |
| Long-term liabilities - Reserves for claims,<br>net of current portion (Note 4) | 9,819,177                                   | -                                  | 9,819,177            | 8,697,594            |
| Total liabilities                                                               | 24,527,667                                  | 180,382                            | 24,708,049           | 21,292,158           |
| <b>Net Assets</b> - Unrestricted (Note 5)                                       | <u>35,011,845</u>                           | <u>5,794,047</u>                   | <u>40,805,892</u>    | <u>39,524,767</u>    |
| Total liabilities and net assets                                                | <u>\$ 59,539,512</u>                        | <u>\$ 5,974,429</u>                | <u>\$ 65,513,941</u> | <u>\$ 60,816,925</u> |

# MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

## Statement of Revenue, Expenses, and Changes in Net Assets

|                                                            | Years Ended June 30                         |                                    |                      |                      |
|------------------------------------------------------------|---------------------------------------------|------------------------------------|----------------------|----------------------|
|                                                            | 2006                                        |                                    | 2005                 |                      |
|                                                            | MASB-SEG<br>Property/Casualty<br>Pool, Inc. | MASB-SEG<br>Reinsurance<br>Limited | Totals               | Totals               |
| <b>Revenue</b>                                             |                                             |                                    |                      |                      |
| Premiums                                                   | \$ 33,012,422                               | \$ 75,000                          | \$ 33,087,422        | \$ 32,234,839        |
| Investment earnings                                        | 2,063,944                                   | 89,310                             | 2,153,254            | 1,825,779            |
| Realized and unrealized gains and losses<br>on investments | (803,473)                                   | 26,601                             | (776,872)            | 344,048              |
| Total revenue                                              | 34,272,893                                  | 190,911                            | 34,463,804           | 34,404,666           |
| <b>Claims (Note 4)</b>                                     |                                             |                                    |                      |                      |
| Paid                                                       | 10,378,965                                  | (23,523)                           | 10,355,442           | 15,520,004           |
| Increase (decrease) in reserves for claims                 | 2,361,583                                   | -                                  | 2,361,583            | (5,736,456)          |
| Total claims                                               | 12,740,548                                  | (23,523)                           | 12,717,025           | 9,783,548            |
| <b>Excess of Revenue Over Claims</b>                       | 21,532,345                                  | 214,434                            | 21,746,779           | 24,621,118           |
| <b>Expenses</b>                                            |                                             |                                    |                      |                      |
| Reinsurance fees (Note 6)                                  | 11,362,551                                  | -                                  | 11,362,551           | 10,327,281           |
| Administrative fees (Note 3)                               | 2,277,857                                   | 32,106                             | 2,309,963            | 2,289,059            |
| MCCA assessment                                            | 1,589,092                                   | -                                  | 1,589,092            | 1,349,057            |
| Professional fees                                          | 35,504                                      | 22,817                             | 58,321               | 62,437               |
| Other                                                      | 136,171                                     | 20,736                             | 156,907              | 258,418              |
| Total expenses                                             | 15,401,175                                  | 75,659                             | 15,476,834           | 14,286,252           |
| <b>Excess of Revenue Over Expenses and<br/>Claims</b>      | 6,131,170                                   | 138,775                            | 6,269,945            | 10,334,866           |
| <b>Premium and Investment Earnings Surplus</b>             |                                             |                                    |                      |                      |
| Returned to Members (Note 5)                               | (4,988,820)                                 | -                                  | (4,988,820)          | (4,269,413)          |
| <b>Increase in Net Assets</b>                              | 1,142,350                                   | 138,775                            | 1,281,125            | 6,065,453            |
| <b>Net Assets - Beginning of year</b>                      | 33,869,495                                  | 5,655,272                          | 39,524,767           | 33,459,314           |
| <b>Net Assets - End of year</b>                            | <b>\$ 35,011,845</b>                        | <b>\$ 5,794,047</b>                | <b>\$ 40,805,892</b> | <b>\$ 39,524,767</b> |

# MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

## Statement of Cash Flows

|                                                             | Years Ended June 30                         |                                    |                     |                  |
|-------------------------------------------------------------|---------------------------------------------|------------------------------------|---------------------|------------------|
|                                                             | 2006                                        |                                    | 2005                |                  |
|                                                             | MASB-SEG<br>Property/Casualty<br>Pool, Inc. | MASB-SEG<br>Reinsurance<br>Limited | Totals              | Totals           |
| <b>Cash Flows from Operating Activities</b>                 |                                             |                                    |                     |                  |
| Cash received from members                                  | \$ 33,898,574                               | \$ 224,416                         | \$ 34,122,990       | \$ 32,575,253    |
| Cash received from excess insurance carriers                | 1,987,627                                   | -                                  | 1,987,627           | (2,130,696)      |
| Cash paid for claims                                        | (10,378,965)                                | 23,523                             | (10,355,442)        | (15,520,004)     |
| Cash paid to suppliers and others                           | (16,292,362)                                | (71,351)                           | (16,363,713)        | (13,090,958)     |
| Net cash provided by operating activities                   | 9,214,874                                   | 176,588                            | 9,391,462           | 1,833,595        |
| <b>Cash Flows from Investing Activities</b>                 |                                             |                                    |                     |                  |
| Investment income received                                  | 2,056,726                                   | 47,365                             | 2,104,091           | 2,238,248        |
| Net change in short-term investments                        | (2,097,720)                                 | 103,548                            | (1,994,172)         | 1,784,515        |
| Purchase of investments                                     | (15,362,030)                                | (9,011,167)                        | (24,373,197)        | (40,071,869)     |
| Proceeds from sales and maturities of investments           | 11,483,137                                  | 8,935,891                          | 20,419,028          | 38,097,382       |
| Net cash provided by (used in) investing activities         | (3,919,887)                                 | 75,637                             | (3,844,250)         | 2,048,276        |
| <b>Cash Flows from Noncapital Financing Activities -</b>    |                                             |                                    |                     |                  |
| Premium and investment earnings surplus returned to members | (4,288,820)                                 | -                                  | (4,288,820)         | (4,119,413)      |
| <b>Net Change in Cash and Cash Equivalents</b>              | <b>1,006,167</b>                            | <b>252,225</b>                     | <b>1,258,392</b>    | <b>(237,542)</b> |
| <b>Cash and Cash Equivalents - Beginning of year</b>        | <b>48,047</b>                               | <b>27,654</b>                      | <b>75,701</b>       | <b>313,243</b>   |
| <b>Cash and Cash Equivalents - End of year</b>              | <b>\$ 1,054,214</b>                         | <b>\$ 279,879</b>                  | <b>\$ 1,334,093</b> | <b>\$ 75,701</b> |

## **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

### **Statement of Cash Flows (Continued)**

A reconciliation of excess of revenue over expenses and claims to net cash provided by operating activities is as follows:

|                                                                                                                   | Years Ended June 30                         |                                    |                     |                     |
|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------|---------------------|---------------------|
|                                                                                                                   | 2006                                        |                                    | 2005                |                     |
|                                                                                                                   | MASB-SEG<br>Property/Casualty<br>Pool, Inc. | MASB-SEG<br>Reinsurance<br>Limited | Totals              | Totals              |
| Excess of revenue over expenses and claims                                                                        | \$ 6,131,170                                | \$ 138,775                         | \$ 6,269,945        | \$ 10,334,866       |
| <b>Adjustments to reconcile excess of revenue over expenses and claims to net cash from operating activities:</b> |                                             |                                    |                     |                     |
| Realized and unrealized (gains) losses on investments                                                             | 803,473                                     | (37,185)                           | 766,288             | 32,613              |
| Investment earnings                                                                                               | (2,063,944)                                 | (89,310)                           | (2,153,254)         | (2,202,440)         |
| (A)crease (decrease) in assets:                                                                                   |                                             |                                    |                     |                     |
| Premiums receivable                                                                                               | (36,805)                                    | -                                  | (36,805)            | 151,893             |
| Accounts receivable - Reinsurance                                                                                 | 1,987,627                                   | -                                  | 1,987,627           | (2,130,696)         |
| Prepaid assets                                                                                                    | (158,230)                                   | -                                  | (158,230)           | 27,659              |
| Increase (decrease) in liabilities:                                                                               |                                             |                                    |                     |                     |
| Accounts payable                                                                                                  | (891,187)                                   | 4,308                              | (886,879)           | 1,195,294           |
| Deferred revenue                                                                                                  | 1,081,187                                   | 160,000                            | 1,241,187           | 160,862             |
| Reserves for claims                                                                                               | <u>2,361,583</u>                            | -                                  | <u>2,361,583</u>    | <u>(5,736,456)</u>  |
| Net cash provided by operating activities                                                                         | <u>\$ 9,214,874</u>                         | <u>\$ 176,588</u>                  | <u>\$ 9,391,462</u> | <u>\$ 1,833,595</u> |

Premium and investment earnings surplus to be returned to members totaling \$5,000,000 and \$4,300,000 were approved during the years ended June 30, 2006 and 2005, respectively, and are reflected as premium and investment earnings surplus due to members in the statement of revenues, expenses, and changes in net assets.

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note 1 - Nature of Business and Significant Accounting Policies**

MASB-SEG Property/Casualty Pool, Inc. (the "Pool") was created on May 23, 1985 and organized under the laws of the state of Michigan as a governmental group property and casualty self-insurance pool. Operating activities of the Pool began July 1, 1986. A total of 468 educational institutions within the state of Michigan participate in the Pool. The Pool's general objectives are to formulate, develop, and administer, on behalf of the members, a program of insurance, to obtain lower costs for that coverage, and to develop a comprehensive loss prevention program. The revenue and expenses for each self-insurance year are accounted for separately to determine net assets and deficiencies in net assets. A member's contribution to the Pool in excess of its share of claim losses, expenses, and other costs may be refunded as determined by the board of trustees (see Note 5). With the assistance of an actuary, the Pool may assess members a supplemental assessment in the event of deficiencies.

During the year ended June 30, 2004, the Pool acquired MASB-SEG Reinsurance Limited (the "Company") in a business combination accounted for as a component unit. The Company was incorporated as an exempted company under the Companies Law of the Cayman Islands on May 26, 1981 and holds a Restricted Class B Insurer's License under Section 4(2) of the Cayman Islands Insurance Law. Its primary line of business is to provide aggregate excess reinsurance to the Pool.

**Cash and Cash Equivalents** - The Pool considers all cash and cash equivalents held by financial institutions with maturities of three months or less or held on hand to be cash and cash equivalents. All other short-term investments and long-term investments are excluded from cash and cash equivalents.

**Investments** - Investments are stated at fair value, based on quoted market prices.

**Accounts Receivable** - Accounts receivable are stated at invoice cost. Account balances that are deemed uncollectible are written off and membership is terminated.

**Deferred Revenue** - Prepayments of premiums are recorded as deferred revenue until the premiums are earned. The revenue is recognized during the applicable policy period.

**Reserves for Claims** - Reserves for claims represent the estimated liability for unpaid insurance losses and related expenses from reported claims and claims incurred but not reported. Changes to estimates are currently reflected in earnings.

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note I - Nature of Business and Significant Accounting Policies (Continued)**

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates exist relating to reserves for claims as described in Note 4.

**Tax Status** - Premium and investment income of the Pool is tax exempt under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the financial statements.

**Prior Year Presentation** - The basic financial statements include prior year summarized comparative information in total, but not at the level of detail required for a full presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2005 from which the summarized information was derived. Certain 2005 amounts have been reclassified to conform to the 2006 presentation.

### **Note 2 - Deposits and Investments**

The Pool's investment policy authorizes the Pool to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan.

The Pool designated Comerica Bank for the deposit of its funds.

The Pool's cash and investments are subject to several types of risk, which are examined in more detail below:

**Custodial Credit Risk of Bank Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the Pool's deposits may not be returned to it. The Pool does not have a deposit policy for custodial credit risk of bank deposits. At June 30, 2006, the Pool's deposit balance of \$1,670,333 had bank deposits (checking and savings accounts) of \$1,570,333 that were uninsured and uncollateralized. At June 30, 2005, the Pool's deposit balance of \$81,433 had no bank deposits (checking and savings accounts) that were uninsured and uncollateralized. The Pool believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Pool evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note 2 - Deposits and Investments (Continued)**

**Interest Rate Risk** - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Pool's investment policy does not restrict investment maturities. The Pool's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market and limiting the average maturity in accordance with the Pool's cash requirements.

At June 30, 2006, the average maturities of investments are as follows:

| Investment Type                     | Fair Value           | Weight Average Maturity<br>(Years) |
|-------------------------------------|----------------------|------------------------------------|
| U.S. Treasury securities            | \$ 10,045,543        | 5.61                               |
| U.S. agencies and pass-throughs     | 12,073,566           | 10.80                              |
| Asset-backed securities             | 2,973,485            | 3.65                               |
| Corporate CMO                       | 1,335,550            | 26.63                              |
| Corporate bonds                     | 12,026,386           | 6.43                               |
| Money markets                       | 3,973,560            | -                                  |
| Mutual funds                        | 5,647,934            | -                                  |
| Common stocks                       | <u>14,512,417</u>    | -                                  |
| Total fair value                    | <u>\$ 62,588,441</u> |                                    |
| Portfolio weighted average maturity |                      | <u>8.08</u>                        |

At June 30, 2005, the average maturities of investments are as follows:

| Investment Type                     | Fair Value           | Weight Average Maturity<br>(Years) |
|-------------------------------------|----------------------|------------------------------------|
| U.S. Treasury securities            | \$ 9,558,785         | 4.95                               |
| U.S. agencies and pass-throughs     | 11,306,900           | 6.88                               |
| Asset-backed securities             | 2,205,761            | 4.28                               |
| Corporate CMO                       | 943,884              | 24.73                              |
| Corporate bonds                     | 12,664,772           | 5.54                               |
| Money markets                       | 1,373,053            | -                                  |
| Mutual funds                        | 5,639,021            | -                                  |
| Common stocks                       | <u>13,714,112</u>    | -                                  |
| Total fair value                    | <u>\$ 57,406,288</u> |                                    |
| Portfolio weighted average maturity |                      | <u>6.22</u>                        |

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note 2 - Deposits and Investments (Continued)**

**Credit Risk** - Credit risk is the risk that an issuer to an investment will not fulfill its obligations. In accordance with the Pool's investment policy, the Pool may invest in U.S. government securities, corporate bonds, certain equity securities, collateralized mortgage obligations, asset-backed securities, and certain mutual funds.

At June 30, 2006, the credit quality ratings of debt securities by investment type (other than the U.S. government) are as follows:

| Rating                        | Fair Value           |
|-------------------------------|----------------------|
| Asset-backed securities - Aaa | <u>\$ 2,973,485</u>  |
| Corporate CMO - Aaa           | <u>\$ 1,335,550</u>  |
| Corporate bonds:              |                      |
| Aaa                           | \$ 1,562,559         |
| Aa2                           | 708,891              |
| Aa3                           | 1,854,569            |
| A1                            | 2,085,754            |
| A2                            | 780,969              |
| A3                            | 1,461,350            |
| Bal                           | 399,531              |
| Baa1                          | 719,846              |
| Baa2                          | 1,616,326            |
| Baa3                          | <u>836,591</u>       |
| Total                         | <u>\$ 12,026,386</u> |

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note 2 - Deposits and Investments (Continued)**

At June 30, 2005, the credit quality ratings of debt securities by investment type (other than the U.S. government) are as follows:

| Rating                   | Fair Value           |
|--------------------------|----------------------|
| Asset-backed securities: |                      |
| Aaa                      | \$ 1,804,209         |
| A3                       | <u>401,552</u>       |
| Total                    | <u>\$ 2,205,761</u>  |
| Corporate CMO - Aaa      | <u>\$ 943,884</u>    |
| Corporate bonds:         |                      |
| Aaa                      | \$ 559,139           |
| Aa1                      | 194,799              |
| Aa2                      | 1,202,533            |
| Aa3                      | 1,691,467            |
| A1                       | 2,962,720            |
| A2                       | 2,503,325            |
| A3                       | 1,258,357            |
| Baa1                     | 702,038              |
| Baa2                     | 986,649              |
| Baa3                     | <u>603,745</u>       |
| Total                    | <u>\$ 12,664,772</u> |

The rating organization used by the Pool to rate its investments is Moody's.

**Concentration of Credit Risk** - The Pool places a limit of no more than 5 percent of the total aggregate portfolio which shall be invested in any one security or the securities of any one issuer with the exception that more than 5 percent can be invested in U.S. government securities. The Pool has one U.S. Treasury security of \$3,652,688 that individually exceeds 5 percent of the Pool's total investments at June 30, 2006. There were no investments that individually exceeded 5 percent of the Pool's total investments at June 30, 2005.

### **Note 3 - Administrative Fees**

The Pool incurred \$2,309,963 and \$2,289,059 in administrative fees for the years ended June 30, 2006 and 2005, respectively. These administrative services were provided by Set, Inc., a company affiliated through common management. These services included insurance billing and collection, marketing, general accounting services, and office space.

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note 4 - Reserves for Claims**

The reserves for claims incurred but not reported is estimated by an independent actuary based upon the Pool's historical experience of claims incurred prior to June 30, 2006. The estimates reflect the actuary's best judgment as to the potential for claims to increase beyond the amounts already paid and reserved on filed claims, including the effects of inflation and other societal and economic factors. It is at least reasonably possible that a material change in the estimate will occur within the near term and thus the actual claims paid may be substantially different than these estimates. Any future adjustments to these amounts will affect the reported results of future periods.

The following represents changes in reserves for claims for the years ended June 30, 2006 and 2005:

|                                                                     | <u>2006</u>          | <u>2005</u>          |
|---------------------------------------------------------------------|----------------------|----------------------|
| <b>Reserves for Claims - Beginning of year</b>                      | \$ 12,987,594        | \$ 18,724,050        |
| <b>Incurred Claims and Claim Adjustment Expenses</b>                |                      |                      |
| Provision for claims incurred in current year                       | 12,453,550           | 13,390,909           |
| Increase (decrease) in provision for claims incurred in prior years | <u>263,475</u>       | <u>(3,607,361)</u>   |
| Total incurred claims and claims adjustment expenses                | 12,717,025           | 9,783,548            |
| <b>Payments</b>                                                     |                      |                      |
| Claims and claims expenses paid for claims incurred in current year | 5,278,316            | 7,442,638            |
| Claims and claims expenses paid for claims incurred in prior years  | <u>5,077,126</u>     | <u>8,077,366</u>     |
| Total payments                                                      | <u>10,355,442</u>    | <u>15,520,004</u>    |
| <b>Reserves for Claims - End of year</b>                            | <u>\$ 15,349,177</u> | <u>\$ 12,987,594</u> |

The details of the reserve for claims are given below:

|                           | <u>2006</u>          | <u>2005</u>          |
|---------------------------|----------------------|----------------------|
| Reported but unpaid       | \$ 8,072,708         | \$ 6,538,670         |
| Incurred but not reported | <u>7,276,469</u>     | <u>6,448,924</u>     |
| Total                     | <u>\$ 15,349,177</u> | <u>\$ 12,987,594</u> |

# **MASB-SEG Property/Casualty Pool, Inc. and Subsidiary**

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## **Notes to Financial Statements June 30, 2006 and 2005**

### **Note 4 - Reserves for Claims (Continued)**

The following, based on historical trends of the Pool, summarizes the anticipated settlement of claims at June 30, 2006 and 2005:

|                                                        | <u>2006</u>          | <u>2005</u>          |
|--------------------------------------------------------|----------------------|----------------------|
| Claims anticipated to be settled within one year       | \$ 5,530,000         | \$ 4,290,000         |
| Claims anticipated to be settled in excess of one year | <u>9,819,177</u>     | <u>8,697,594</u>     |
| Total reserves for claims                              | <u>\$ 15,349,177</u> | <u>\$ 12,987,594</u> |

### **Note 5 - Net Assets**

Premium and investment earnings surplus funds from net assets may be returned to members of the Pool at the discretion of the board of trustees. The board of trustees approved the return of premium and investment earnings surplus of \$5,000,000 and \$4,300,000 during the years ended June 30, 2006 and 2005, respectively.

### **Note 6 - Excess Insurance Coverage**

The Pool uses excess insurance agreements to reduce its exposure to large aggregate and specific losses. Excess insurance permits recovery of a portion of losses from excess insurance carriers, although it does not discharge the primary liability of the Pool as direct insurer of the risks reinsured. The Pool does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. Premiums ceded to excess insurance carriers during the years ended June 30, 2006 and 2005 totaled \$11,362,551 and \$10,327,281, respectively, and the amounts deducted from reserves for claims as of June 30, 2006 and 2005 for excess insurance was \$4,900,032 and \$6,042,196, respectively.

## **Required Supplemental Schedules**

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To the Board of Trustees  
MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

We have audited the financial statements of MASB-SEG Property/Casualty Pool, Inc. for the year ended June 30, 2006. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules of operations by policy years and claims development for MASB-SEG Property/Casualty Pool, Inc. are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information for the year ended June 30, 2006 has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The schedules of operations by policy years for and claims development for MASB-SEG Property/Casualty Pool, Inc. compiled from June 30, 1994 through June 30, 2006, on pages 20 and 21, have been prepared from financial statements for each of the respective years shown in the schedules of operations by policy years and claims development for MASB-SEG Property/Casualty Pool, Inc. as updated for subsequent activity. We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements from which the schedules of operations by policy years and claims development for MASB-SEG Property/Casualty Pool, Inc. were derived. In our opinion, the schedules of operations by policy years and claims development for MASB-SEG Property/Casualty Pool, Inc. are fairly stated in all material respects in relation to the financial statements from which they have been derived.

*Plante & Moran, PLLC*

August 22, 2006

# MASB-SEC Property/Casualty Pool, Inc. and Subsidiary

## Schedule of Operations by Policy Years for MASB-SEC Property/Casualty Pool, Inc.

|                                                          | Prior Years    | 1997          | 1998          | 1999          | 2000          | 2001          | 2002          | 2003          | 2004          | 2005          | 2006          | Combined       |
|----------------------------------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| <b>Revenue</b>                                           |                |               |               |               |               |               |               |               |               |               |               |                |
| Premiums                                                 | \$ 117,837,002 | \$ 13,598,266 | \$ 13,872,729 | \$ 14,564,517 | \$ 16,194,156 | \$ 18,454,494 | \$ 21,457,078 | \$ 27,072,906 | \$ 30,717,560 | \$ 32,184,839 | \$ 33,012,422 | \$ 338,965,969 |
| Investment income                                        | 27,590,695     | 2,236,883     | 1,463,278     | 1,382,478     | 221,772       | 63,275        | 625,762       | 1,346,744     | 634,207       | 577,453       | 244,752       | 36,397,299     |
| Total revenue                                            | 145,427,697    | 15,835,149    | 15,336,007    | 15,946,995    | 16,415,928    | 18,517,769    | 22,002,840    | 28,419,650    | 31,351,767    | 32,762,292    | 33,257,174    | 375,333,268    |
| <b>Claims</b>                                            |                |               |               |               |               |               |               |               |               |               |               |                |
| Paid                                                     | 42,925,819     | 7,606,108     | 7,168,124     | 11,239,418    | 7,480,704     | 9,770,650     | 8,857,355     | 8,380,724     | 9,533,310     | 10,877,735    | 5,278,316     | 129,118,263    |
| Reported reserves                                        | 3,796          | -             | 301,986       | 47,715        | 40,872        | 280,302       | 61,926        | 611,145       | 2,650,296     | 1,601,385     | 2,473,285     | 8,072,708      |
| IBNR reserves                                            | 1,879          | -             | 3,795         | 24,347        | 5,864         | 52,851        | 161,880       | 79,162        | 432,695       | 1,812,049     | 4,701,949     | 7,276,471      |
| Total claims                                             | 42,921,494     | 7,606,108     | 7,473,905     | 11,311,480    | 7,527,440     | 10,103,803    | 9,081,161     | 9,071,031     | 12,616,301    | 14,291,169    | 12,453,550    | 144,467,442    |
| <b>Excess of Revenue Over Expenses - Before expenses</b> |                |               |               |               |               |               |               |               |               |               |               |                |
| Expenses                                                 | 102,496,203    | 8,229,041     | 7,862,102     | 4,635,515     | 8,888,488     | 8,413,966     | 13,001,679    | 19,348,619    | 18,735,466    | 18,471,123    | 20,803,624    | 230,885,826    |
| <b>Excess of Revenue Over Expenses</b>                   |                |               |               |               |               |               |               |               |               |               |               |                |
| Service agent fees                                       | 780,951        | 63,620        | 52,248        | 53,108        | 59,991        | 64,678        | 70,745        | 8,284         | -             | -             | -             | 1,153,625      |
| Reinsurance fees                                         | 26,949,992     | 2,414,423     | 2,252,451     | 2,214,700     | 2,703,979     | 3,159,759     | 4,081,151     | 8,614,403     | 9,598,270     | 10,258,172    | 11,108,566    | 83,355,866     |
| Administrative fees                                      | 7,222,617      | 764,587       | 775,902       | 838,184       | 898,264       | 974,299       | 1,273,489     | 1,543,156     | 1,720,184     | 2,263,275     | 2,277,857     | 20,621,814     |
| MCCA assessment                                          | 4,469,526      | 139,598       | 66,548        | 77,935        | 95,174        | 182,976       | 443,601       | 629,144       | 1,222,457     | 1,299,883     | 1,589,092     | 10,215,334     |
| Other                                                    | 743,301        | 39,998        | 49,072        | 54,971        | 58,449        | 61,610        | 97,689        | 137,769       | 123,591       | 176,895       | 171,675       | 1,715,020      |
| Total expenses                                           | 40,236,387     | 3,422,226     | 3,196,221     | 3,238,898     | 3,815,857     | 4,443,322     | 5,966,675     | 10,932,756    | 12,664,502    | 13,998,225    | 15,147,190    | 117,062,259    |
| <b>Excess of Revenue Over Expenses and Claims</b>        |                |               |               |               |               |               |               |               |               |               |               |                |
| Dividends Paid                                           | 5,910,768      | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | 5,910,768      |
| Surplus Returned                                         | 53,657,740     | 4,076,451     | 3,533,003     | 1,048,015     | 4,147,766     | 3,138,005     | 2,399,974     | 900,000       | -             | -             | -             | 72,900,954     |
| Net Assets                                               | \$ 2,691,308   | \$ 730,364    | \$ 1,132,878  | \$ 348,602    | \$ 924,865    | \$ 832,639    | \$ 4,635,030  | \$ 7,515,863  | \$ 6,070,964  | \$ 4,472,898  | \$ 5,656,434  | \$ 35,011,845  |

This schedule of restated operations by policy years takes into account the most current information from the redetermination of the reserve for incurred but unpaid claims for the individual policy years June 30, 1987 through June 30, 2006.

## MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

### Schedule of Claims Development for MASB-SEG Property/Casualty Pool, Inc.

|                                                                                       | 1997*         | 1998          | 1999          | 2000          | 2001          | 2002          | 2003          | 2004          | 2005          | 2006          |
|---------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Required premiums and investment income:                                              |               |               |               |               |               |               |               |               |               |               |
| Earned                                                                                | \$ 14,546,261 | \$ 14,291,964 | \$ 15,133,338 | \$ 16,466,059 | \$ 18,502,544 | \$ 21,476,458 | \$ 27,797,961 | \$ 31,138,231 | \$ 32,594,421 | \$ 33,257,174 |
| Ceded                                                                                 | 2,414,423     | 2,252,451     | 2,214,700     | 2,701,201     | 3,005,574     | 4,034,520     | 9,000,462     | 9,275,177     | 10,004,187    | 11,108,566    |
| Net earned                                                                            | 12,131,838    | 12,039,513    | 12,918,638    | 13,764,858    | 15,496,970    | 17,441,938    | 18,797,499    | 21,863,054    | 22,590,234    | 22,148,608    |
| Expenses                                                                              | 1,007,803     | 943,770       | 1,024,198     | 1,111,875     | 1,152,234     | 1,885,524     | 2,318,353     | 2,931,964     | 3,874,322     | 4,038,624     |
| Estimated claims and expenses, end of policy year:                                    |               |               |               |               |               |               |               |               |               |               |
| Inurred                                                                               | 9,322,376     | 11,732,915    | 13,585,910    | 11,337,938    | 12,682,041    | 14,855,326    | 14,437,530    | 17,803,677    | 18,390,909    | 14,018,550    |
| Ceded                                                                                 | 350,000       | 2,105,000     | 1,800,000     | 2,000,000     | 950,000       | 1,300,000     | 2,100,000     | 3,900,000     | 5,000,000     | 1,505,000     |
| Net incurred                                                                          | 8,972,376     | 9,627,915     | 11,785,910    | 9,337,938     | 11,732,041    | 13,555,326    | 12,337,530    | 13,903,677    | 13,390,909    | 12,433,550    |
| Paid (cumulative) as of:                                                              |               |               |               |               |               |               |               |               |               |               |
| End of policy year                                                                    | 2,834,571     | 3,186,088     | 4,724,972     | 2,280,640     | 3,998,193     | 4,587,310     | 4,148,338     | 5,093,747     | 7,442,638     | 5,278,316     |
| One year later                                                                        | 5,521,041     | 5,978,346     | 6,589,823     | 3,980,907     | 7,676,519     | 8,125,563     | 6,459,139     | 8,963,129     | 10,877,735    | -             |
| Two years later                                                                       | 6,466,131     | 6,505,697     | 7,701,818     | 5,780,035     | 8,789,546     | 8,537,666     | 7,584,871     | 9,533,310     | -             | -             |
| Three years later                                                                     | 7,324,991     | 7,104,677     | 8,097,861     | 6,501,494     | 9,318,516     | 8,794,687     | 8,380,724     | -             | -             | -             |
| Four years later                                                                      | 7,366,235     | 7,886,070     | 8,360,375     | 6,682,167     | 9,582,670     | 8,857,355     | -             | -             | -             | -             |
| Five years later                                                                      | 7,574,496     | 7,931,913     | 8,650,221     | 7,452,932     | 9,770,650     | -             | -             | -             | -             | -             |
| Six years later                                                                       | 7,595,210     | 7,935,261     | 11,220,962    | 7,480,704     | -             | -             | -             | -             | -             | -             |
| Seven years later                                                                     | 7,605,965     | 7,163,009     | 11,239,418    | -             | -             | -             | -             | -             | -             | -             |
| Eight years later                                                                     | 7,606,108     | 7,168,124     | -             | -             | -             | -             | -             | -             | -             | -             |
| Nine years later                                                                      | 7,606,108     | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Reestimated ceded claims and expenses                                                 | -             | 7,757,600     | 1,840,033     | 5,878,000     | 5,000         | 421,000       | 134,000       | 4,390,000     | 4,410,000     | 1,565,000     |
| Reestimated incurred claims and expenses:                                             |               |               |               |               |               |               |               |               |               |               |
| End of policy year                                                                    | 8,972,376     | 9,627,915     | 11,785,910    | 9,337,938     | 11,732,041    | 13,555,326    | 12,337,530    | 13,903,677    | 13,390,909    | 12,433,550    |
| One year later                                                                        | 9,342,796     | 9,634,489     | 11,445,995    | 8,441,971     | 10,885,213    | 11,535,535    | 10,659,718    | 12,790,350    | 14,291,169    | -             |
| Two years later                                                                       | 9,616,481     | 8,301,654     | 10,887,661    | 7,382,291     | 10,871,501    | 9,686,389     | 9,329,125     | 12,616,301    | -             | -             |
| Three years later                                                                     | 9,091,324     | 8,114,975     | 9,256,796     | 7,982,408     | 10,677,762    | 9,514,130     | 9,071,031     | -             | -             | -             |
| Four years later                                                                      | 8,815,481     | 8,039,772     | 9,632,503     | 7,943,704     | 10,029,163    | 9,081,161     | -             | -             | -             | -             |
| Five years later                                                                      | 8,457,432     | 8,311,913     | 10,188,185    | 7,502,035     | 10,103,803    | -             | -             | -             | -             | -             |
| Six years later                                                                       | 8,070,159     | 8,311,913     | 11,371,696    | 7,527,440     | -             | -             | -             | -             | -             | -             |
| Seven years later                                                                     | 7,613,477     | 7,265,082     | 11,311,480    | -             | -             | -             | -             | -             | -             | -             |
| Eight years later                                                                     | 7,606,108     | 7,473,905     | -             | -             | -             | -             | -             | -             | -             | -             |
| Nine years later                                                                      | 7,606,108     | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Increase (decrease) in estimated incurred claims and expenses from end of policy year | (1,366,268)   | (2,154,010)   | (474,430)     | (1,810,498)   | (1,628,238)   | (4,474,165)   | (3,266,499)   | (1,287,376)   | 900,260       | -             |

\*MASB-SEG Property/Casualty Pool, Inc. adopted GASB Statement No. 30, Risk Finance Omnibus, an amendment of GASB No. 10, on a prospective basis.

MASB-SEG PROPERTY/CASUALTY POOL, INC.  
 INVESTMENT SCHEDULE  
 June 30, 2006

| DESCRIPTION              | COST                 | MARKET VALUE         | UNREALIZED GAIN/(LOSS) |
|--------------------------|----------------------|----------------------|------------------------|
| FIXED INVESTMENTS        | \$ 43,389,457.34     | \$ 42,066,802.29     | \$ (1,322,655.05)      |
| EQUITY INVESTMENTS       | \$13,740,052.31      | \$14,873,604.91      | \$ 1,133,552.60        |
| MASB-SEG Reinsurance Ltd | 5,647,934.00         | 5,647,934.00         | \$ -                   |
| INVESTMENT TOTALS        | <u>62,777,443.65</u> | <u>62,588,341.20</u> | <u>(189,102.45)</u>    |

## MASB-SEG PROPERTY/CASUALTY POOL, INC.

## INVESTMENT SCHEDULE

June 30, 2006

| DESCRIPTION                                 | RATE    | MATURITY DATE | FACE VALUE             | COST                   | MARKET VALUE           | UNREALIZED GAIN/(LOSS) |
|---------------------------------------------|---------|---------------|------------------------|------------------------|------------------------|------------------------|
| <b>COMERICA</b>                             |         |               |                        |                        |                        |                        |
| <b>02-02-202-0214459</b>                    |         |               |                        |                        |                        |                        |
| JANUS INST MONEY MKT CASH                   | 1.200%  | DAILY         | 273,938.09<br>7,430.21 | 273,938.09<br>7,430.21 | 273,938.09<br>7,430.21 | 0.00<br>0.00           |
| <b>FIXED INCOME</b>                         |         |               |                        |                        |                        |                        |
| AT&T BROADBAND CORP                         | 8.375%  | 03/15/2013    | 40,000.00              | 50,014.00              | 44,425.60              | (5,588.40)             |
| ABBOTT LABS                                 | 5.875%  | 05/15/2016    | 500,000.00             | 499,550.00             | 495,715.00             | (3,835.00)             |
| ADJUSTABLE RATE MTG                         | 5.253%  | 11/25/2035    | 550,000.00             | 543,640.63             | 551,149.50             | 7,508.87               |
| BANK AMERICA CORP                           | 5.875%  | 02/15/2009    | 300,000.00             | 332,196.00             | 302,118.00             | (30,078.00)            |
| CISCO SYS INC                               | 5.500%  | 02/22/2016    | 300,000.00             | 298,629.00             | 288,069.00             | (10,560.00)            |
| CITICORP MTN MED TERM NTS                   | 6.375%  | 11/15/2008    | 225,000.00             | 246,501.25             | 228,998.25             | (19,503.00)            |
| CITIBANK CR CARD ISSUANCE                   | 2.550%  | 01/20/2009    | 300,000.00             | 294,609.38             | 295,215.54             | 606.16                 |
| CONNECTICUT RRB SPL PURP TR SER             | 5.730%  | 03/30/2009    | 24,042.36              | 25,813.24              | 24,049.91              | (1,763.33)             |
| CONSOLIDATED EDISON CO NY INC               | 5.625%  | 07/01/2012    | 350,000.00             | 368,518.50             | 346,605.00             | (21,913.50)            |
| FEDERAL HOME LN MTG CORP                    | 4.300%  | 05/05/2008    | 500,000.00             | 500,000.00             | 488,765.00             | (11,235.00)            |
| FHLB GOLD POOL #A01516                      | 11.250% | 07/01/2014    | 25,296.68              | 33,490.18              | 26,905.78              | (6,584.40)             |
| FED HOME LN BKS                             | 5.980%  | 06/18/2008    | 400,000.00             | 415,011.20             | 404,000.00             | (11,011.20)            |
| FEDERAL HOME LN BKS                         | 4.875%  | 02/15/2007    | 550,000.00             | 557,106.00             | 547,767.00             | (9,339.00)             |
| FED HOME LN BKS                             | 5.750%  | 05/15/2012    | 600,000.00             | 648,049.88             | 608,250.00             | (39,799.88)            |
| FEDERAL HOME LN BKS                         | 5.050%  | 10/25/2010    | 450,000.00             | 450,000.00             | 438,889.50             | (11,110.50)            |
| FEDERAL HOME LN MTG CORP                    | 5.500%  | 09/15/2011    | 560,000.00             | 609,378.58             | 560,000.00             | (49,378.58)            |
| FEDERAL HOME LN MTG CORP                    | 4.000%  | 12/15/2009    | 600,000.00             | 599,768.40             | 572,814.00             | (26,954.40)            |
| FEDERAL NATL MTG ASSN                       | 6.625%  | 11/15/2010    | 135,000.00             | 141,892.97             | 140,948.10             | (944.87)               |
| FEDERAL NATL MTG ASSN                       | 5.000%  | 03/15/2016    | 600,000.00             | 572,653.20             | 576,000.00             | 3,346.80               |
| FEDERAL NATL MTG ASSN                       | 5.500%  | 03/15/2011    | 580,000.00             | 639,805.80             | 580,365.40             | (59,440.40)            |
| FEDERAL NATL MTG ASSN                       | 6.000%  | 05/15/2011    | 145,000.00             | 160,926.07             | 148,126.20             | (12,799.87)            |
| FEDERAL NATL MTG ASSN                       | 3.000%  | 08/15/2007    | 500,000.00             | 493,063.50             | 486,565.00             | (6,498.50)             |
| FEDERAL NATL MTG ASSN                       | 4.375%  | 09/07/2007    | 500,000.00             | 500,000.00             | 493,280.00             | (8,720.00)             |
| FEDERAL HOME LN MTG CORP CMO SER            | 4.500%  | 05/15/1932    | 400,000.00             | 390,828.12             | 365,879.96             | (24,948.18)            |
| FEDERAL HOME LN MTG CORP                    | 4.500%  | 01/15/2024    | 400,000.00             | 405,750.00             | 390,594.88             | (15,155.12)            |
| FEDERAL HOME LN MTG CORP SER                | 5.000%  | 08/15/2027    | 450,000.00             | 445,851.56             | 437,263.34             | (8,588.22)             |
| FEDERAL HOME LN MTG CORP SER                | 5.000%  | 11/15/2030    | 500,000.00             | 488,203.13             | 475,019.20             | (13,183.93)            |
| FEDERAL HOME LN MTG CORP SER                | 5.500%  | 12/15/2033    | 450,000.00             | 446,343.75             | 445,244.54             | (1,099.21)             |
| FEDERAL HOME LN MTG CORP SER                | 5.500%  | 05/15/2030    | 450,000.00             | 444,339.84             | 442,533.06             | (1,806.78)             |
| FEDERAL NATL MTG ASSN GTD POOL #682461      | 4.000%  | 10/01/2018    | 412,795.85             | 398,359.56             | 381,575.91             | (16,783.65)            |
| FNMA GTD MTG POOL #708513                   | 6.000%  | 04/01/2033    | 92,375.97              | 99,971.96              | 91,405.10              | (8,566.86)             |
| GENERAL ELEC CAP CORP                       | 8.000%  | 06/15/2012    | 375,000.00             | 410,835.00             | 379,308.75             | (31,526.25)            |
| HSBC                                        | 5.500%  | 01/19/2018    | 370,000.00             | 368,812.30             | 352,376.90             | (16,435.40)            |
| HOME DEPOT INC                              | 5.400%  | 03/01/2016    | 400,000.00             | 398,044.00             | 383,432.00             | (14,612.00)            |
| HOUSEHOLD FIN CORP SER MTN                  | 4.125%  | 11/16/2009    | 130,000.00             | 125,322.60             | 123,730.10             | (1,592.50)             |
| LANDESBKBAD NY                              | 6.350%  | 04/01/2012    | 315,000.00             | 345,101.40             | 330,926.40             | (14,175.00)            |
| MBNA CREDIT CD                              | 4.950%  | 06/15/2009    | 500,000.00             | 499,179.69             | 498,960.25             | (219.44)               |
| MERCK & CO INC                              | 4.750%  | 03/01/2015    | 365,000.00             | 355,068.35             | 334,215.90             | (20,852.45)            |
| MORGAN STANLEY                              | 5.300%  | 03/01/2013    | 275,000.00             | 270,767.25             | 285,993.75             | (4,773.50)             |
| NAVISTAR FINANCIAL CORP ABS SER 2003-A CL A | 2.240%  | 11/15/2009    | 174,122.74             | 170,102.96             | 171,408.53             | 1,305.57               |
| NAVISTAR FINL 2005-A OWNER TR SER 2005      | 4.220%  | 02/15/2010    | 400,000.00             | 399,945.28             | 392,752.80             | (7,192.48)             |
| SLM CORP MEDIUM TERM NTS                    | 5.125%  | 08/27/2012    | 180,000.00             | 193,545.00             | 172,857.60             | (20,667.40)            |
| UNITED STATES TREAS BDS                     | 7.500%  | 11/15/2018    | 110,000.00             | 136,533.20             | 130,109.10             | (6,424.10)             |
| U S TREAS NTS                               | 3.875%  | 01/15/2009    | 95,000.00              | 105,778.96             | 120,992.00             | 15,213.04              |
| U S TREAS NTS                               | 5.500%  | 05/15/2009    | 800,000.00             | 915,250.00             | 808,096.00             | (107,154.00)           |
| U S TREAS NTS                               | 6.000%  | 06/15/2009    | 900,000.00             | 1,014,943.36           | 922,464.00             | (92,479.36)            |
| UNITED STATES TREAS NTS                     | 3.000%  | 11/15/2007    | 500,000.00             | 494,941.41             | 485,450.00             | (9,491.41)             |
| UNITED STATES TREAS NTS                     | 3.000%  | 02/15/2008    | 305,000.00             | 301,770.75             | 294,894.05             | (7,076.70)             |
| UNITED STATES TREAS NTS                     | 2.375%  | 08/15/2006    | 300,000.00             | 297,789.48             | 299,085.00             | 1,295.52               |
| UNITED STATES TREAS NTS                     | 3.000%  | 02/15/2009    | 80,000.00              | 81,006.25              | 75,837.60              | (5,168.65)             |
| UNITED STATES TREAS NTS                     | 4.250%  | 08/15/2014    | 700,000.00             | 866,039.06             | 659,232.00             | (6,807.06)             |
| UNITED STATES TREAS NTS                     | 8.500%  | 09/15/2011    | 90,000.00              | 99,462.60              | 90,027.90              | (9,434.70)             |
| VERIZON NEW ENGLAND INC                     | 6.125%  | 03/01/2012    | 200,000.00             | 203,724.00             | 197,964.00             | (5,760.00)             |
| VERIZON MD INC                              | 2.940%  | 03/22/2010    | 700,000.00             | 667,493.94             | 684,940.76             | (2,553.18)             |
| VOLKSWAGON AUTO LN ENHANCED ABS             | 4.107%  | 10/25/2033    | 450,000.00             | 445,781.25             | 435,521.30             | (10,259.95)            |
| WASHINGTON MUTUAL 2003-AR10 MTG             | 2.410%  | 12/20/2010    | 346,646.72             | 340,092.94             | 342,528.89             | 2,433.95               |
| WFS FINANCIAL OWNER TR ABS SER              | 2.740%  | 09/20/2010    | 299,368.55             | 295,808.27             | 295,992.81             | 184.54                 |
| WFS FINANCIAL OWNER TR ABS SER              | 4.375%  | 07/12/2007    | 180,000.00             | 187,668.00             | 177,775.20             | (9,892.80)             |
| WAL-MART STORES INC GLOBAL BD               | 3.500%  | 12/01/2007    | 375,000.00             | 371,085.00             | 364,095.00             | (6,990.00)             |

SUB TOTAL- COMERICA

22,086,016.95

22,585,526.30

21,750,672.66

(814,853.64)

## MASB-SEG PROPERTY/CASUALTY POOL, INC.

## INVESTMENT SCHEDULE

June 30, 2006

| DESCRIPTION                           | RATE   | MATURITY DATE | FACE VALUE   | COST         | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|---------------------------------------|--------|---------------|--------------|--------------|--------------|------------------------|
| <b>SMITH BARNEY</b>                   |        |               |              |              |              |                        |
| 02-02-2002-0659433                    |        |               |              |              |              |                        |
| JANUS INSTL MONEY MKT                 |        | DAILY         | 3,331,003.26 | 3,331,003.26 | 3,331,003.26 | 0.00                   |
| <b>US GOVERNMENT</b>                  |        |               |              |              |              |                        |
| US TREAS NTS                          | 4.875% | 04/30/2008    | 200,000.00   | 199,796.88   | 198,914.00   | (882.88)               |
| US TREAS NTS                          | 3.375% | 10/15/2009    | 500,000.00   | 484,062.50   | 473,985.00   | (10,077.50)            |
| US TREAS NTS                          | 4.875% | 02/15/2012    | 330,000.00   | 326,235.94   | 326,647.20   | 411.26                 |
| US TREAS NTS                          | 4.875% | 02/15/2012    | 200,000.00   | 207,554.69   | 197,812.00   | (9,742.69)             |
| US TREAS NTS                          | 4.250% | 08/15/2013    | 3,850,000.00 | 3,892,689.45 | 3,652,687.50 | (240,001.95)           |
| US TREAS NTS                          | 4.750% | 05/15/2014    | 891,000.00   | 912,914.59   | 869,179.41   | (43,735.18)            |
| US TREAS NTS                          | 4.500% | 02/15/2016    | 190,000.00   | 189,139.06   | 180,767.90   | (8,371.16)             |
| US TREAS NTS                          | 5.125% | 05/15/2016    | 350,000.00   | 349,781.56   | 349,590.50   | (191.06)               |
| <b>US GOVT AGENCIES &amp; ASSET</b>   |        |               |              |              |              |                        |
| FHLB                                  | 3.125% | 04/04/2008    | 500,000.00   | 490,000.00   | 480,490.00   | (9,510.00)             |
| FNMA                                  | 6.625% | 11/15/2010    | 800,000.00   | 879,114.40   | 835,248.00   | (43,866.40)            |
| FNMA                                  | 6.000% | 05/15/2011    | 500,000.00   | 545,008.00   | 510,780.00   | (34,228.00)            |
| FNMA-#450011                          | 6.000% | 12/01/2028    | 36,821.94    | 32,857.26    | 36,421.69    | 3,564.43               |
| <b>COLLATERALIZED MTG OBLIGATIONS</b> |        |               |              |              |              |                        |
| GMAC COML MTG SECS INC SER            | 6.869% | 08/15/2007    | 262,340.49   | 274,661.02   | 264,431.32   | (10,229.70)            |
| CREDIT SUISSE FIRST BOSTON MTG        | 5.558% | 02/15/1939    | 160,000.00   | 157,500.00   | 156,118.62   | (1,361.38)             |
| J P MORGAN CHASE COML MTG SECS T CMO  | 5.814% | 06/12/2043    | 140,000.00   | 140,690.48   | 140,690.48   | 0.00                   |
| AMERICAN HOME MTG INVT TR CMO         | 5.294% | 06/25/2045    | 70,480.32    | 69,764.50    | 69,149.26    | (615.24)               |
| BANC AMER COML MTG INC CMO            | 5.372% | 09/10/1945    | 160,000.00   | 155,312.50   | 154,010.94   | (1,301.56)             |
| <b>ASSET BACKED SECURITIES</b>        |        |               |              |              |              |                        |
| CAPITAL ONE MASTER TR ABS SER         | 4.600% | 08/17/2009    | 250,000.00   | 263,867.19   | 249,407.38   | (14,459.81)            |
| ATLANTIC CITY ELEC TRANS FDG ABS      | 2.890% | 07/20/2010    | 145,813.16   | 145,767.17   | 142,073.56   | (3,693.51)             |
| AMERICREDIT AUTOMOBILE 2004           | 2.870% | 02/07/2011    | 300,000.00   | 295,371.09   | 292,959.51   | (2,411.58)             |
| <b>TBA</b>                            |        |               |              |              |              |                        |
| FNMA TAB 15 YRS                       | 6.000% | 07/01/2021    | 80,000.00    | 80,275.00    | 80,275.20    | 0.20                   |
| FNMA TBA 30 YRS                       | 5.000% | 07/01/1936    | 1,100,000.00 | 1,031,843.75 | 1,028,159.00 | (3,684.75)             |
| <b>CORPORATE BONDS</b>                |        |               |              |              |              |                        |
| CATERPILLAR FINANACE                  | 3.450% | 01/15/2009    | 50,000.00    | 47,450.00    | 47,516.00    | 66.00                  |
| PACIFIC GAS & ELEC CO                 | 3.600% | 03/01/2009    | 100,000.00   | 95,105.00    | 94,936.00    | (169.00)               |
| CLEAR CHANNEL COMMUNICATIONS          | 4.250% | 05/15/2009    | 100,000.00   | 95,445.00    | 94,829.00    | (616.00)               |
| UNITEDHEALTH GROUP INC                | 4.125% | 08/15/2009    | 150,000.00   | 149,952.00   | 143,349.00   | (6,603.00)             |
| PARK PL ENTMT CORP SR NT              | 7.500% | 09/01/2009    | 100,000.00   | 104,709.00   | 103,822.00   | (887.00)               |
| CATERPILLAR INC                       | 7.250% | 09/15/2009    | 150,000.00   | 161,596.50   | 157,272.00   | (4,324.50)             |
| COUNTRYWIDE HOME LOAN                 | 4.125% | 09/15/2009    | 150,000.00   | 150,598.50   | 142,650.00   | (7,948.50)             |
| SBC COMMUNICATIONS                    | 4.125% | 09/15/2009    | 100,000.00   | 95,409.00    | 95,006.00    | (403.00)               |
| ELECTRONIC DATA SYSTEMS               | 7.125% | 10/15/2009    | 100,000.00   | 103,241.00   | 103,275.00   | 34.00                  |
| ISTAR FINL INC                        | 5.375% | 04/15/2010    | 100,000.00   | 97,766.00    | 97,630.00    | (136.00)               |
| INTERNATIONAL LEASE FIN CORP          | 5.000% | 04/15/2010    | 100,000.00   | 97,638.00    | 97,114.00    | (524.00)               |
| HSBC FIN CORP MEDIUM TERM NTS         | 3.480% | 05/10/2010    | 100,000.00   | 100,467.80   | 100,362.00   | (105.80)               |
| GOLDMAN SACHS GROUP INC               |        |               |              |              |              |                        |
| LEHMAN BROS HLDGS INC                 | 4.500% | 07/26/2010    | 100,000.00   | 100,576.40   | 100,494.00   | (82.40)                |
| WASTE MANAGEMENT INC                  | 7.375% | 08/01/2010    | 100,000.00   | 105,455.00   | 95,530.00    | 27.00                  |
| VERIZON GLOBAL                        | 7.250% | 12/01/2010    | 100,000.00   | 104,676.00   | 104,727.00   | 51.00                  |
| MORGAN STANLEY                        | 5.050% | 01/21/2011    | 200,000.00   | 194,398.00   | 193,964.00   | (434.00)               |
| COMCAST CABLE                         | 6.750% | 01/30/2011    | 200,000.00   | 206,524.00   | 206,386.00   | (138.00)               |
| PROGRESS ENERGY                       | 7.100% | 03/01/2011    | 100,000.00   | 105,473.00   | 104,315.00   | (1,158.00)             |
| SAFEWAY INC                           | 6.500% | 03/01/2011    | 100,000.00   | 112,530.00   | 101,065.00   | (11,465.00)            |
| KINDER MORGAN ENERGY PARTNERS         | 6.750% | 03/15/2011    | 100,000.00   | 103,772.00   | 102,157.00   | (1,615.00)             |
| WACHOVIA CAP TR                       | 5.800% | 03/15/2011    | 170,000.00   | 165,909.00   | 164,968.00   | (941.00)               |
| EXELON CORP                           | 6.750% | 05/01/2011    | 100,000.00   | 103,900.00   | 103,340.00   | (560.00)               |
| AMERADA HESS CORP                     | 6.650% | 08/15/2011    | 200,000.00   | 206,128.00   | 205,554.00   | (574.00)               |
| INTERNATIONAL PAPER CO NOTE           | 6.750% | 09/01/2011    | 50,000.00    | 51,490.00    | 51,662.00    | 172.00                 |
| DEVON FING CORP U L C                 | 6.875% | 09/30/2011    | 100,000.00   | 105,104.00   | 103,970.00   | (1,134.00)             |
| BRISTOL MYERS SQUIBB CO               | 5.750% | 10/01/2011    | 100,000.00   | 100,216.00   | 99,734.00    | (482.00)               |
| FIRSTENERGY CORP                      | 6.450% | 11/15/2011    | 100,000.00   | 102,684.00   | 101,752.00   | (932.00)               |
| DUKE ENERGY CORP                      | 6.250% | 01/15/2012    | 100,000.00   | 102,164.00   | 101,722.00   | (442.00)               |
| OCCIDENTAL                            | 6.750% | 01/15/2012    | 100,000.00   | 105,442.00   | 105,218.00   | (224.00)               |
| SPRINT CAP CORP                       | 8.375% | 03/15/2012    | 135,000.00   | 156,467.05   | 149,161.50   | (7,305.55)             |
| WEYERHAEYSER CO                       | 6.750% | 03/15/2012    | 100,000.00   | 102,879.00   | 102,166.00   | (713.00)               |
| APACHE CORP                           | 6.250% | 04/15/2012    | 100,000.00   | 102,896.00   | 102,407.00   | (489.00)               |
| AOL TIME WARNER                       | 6.875% | 05/01/2012    | 100,000.00   | 103,070.00   | 103,347.00   | 277.00                 |
| AT&T WIRELESS SVCS                    | 8.125% | 05/01/2012    | 200,000.00   | 220,679.00   | 220,088.00   | (591.00)               |
| DOMINION RESOURCES INC                | 5.700% | 09/12/2012    | 100,000.00   | 98,342.00    | 97,855.00    | (487.00)               |
| DOW CHEMICAL CO                       | 6.000% | 10/01/2012    | 100,000.00   | 101,060.00   | 100,737.00   | (323.00)               |
| CONOCOPHILLIPS                        | 4.750% | 10/15/2012    | 100,000.00   | 95,140.00    | 95,110.00    | (30.00)                |
| IBM CORP                              | 4.750% | 11/29/2012    | 100,000.00   | 95,014.00    | 94,764.00    | (250.00)               |
| DEERE JOHN CAP CORP GLOBAL            | 5.100% | 01/15/2013    | 100,000.00   | 96,080.00    | 96,145.00    | 65.00                  |
| EMBARQ CORP                           | 6.738% | 06/01/2013    | 40,000.00    | 39,998.00    | 39,878.80    | (119.20)               |
| ALTRIA GROUP INC MO                   | 7.000% | 11/04/2013    | 150,000.00   | 158,151.00   | 158,250.00   | 99.00                  |
| DAIMLER CHRYSLER NORTH AMER           | 6.500% | 11/15/2013    | 200,000.00   | 201,718.00   | 199,892.00   | (1,826.00)             |

**MASB-SEG PROPERTY/CASUALTY POOL, INC.**

**INVESTMENT SCHEDULE**

**June 30, 2006**

| <b>DESCRIPTION</b>             | <b>RATE</b> | <b>MATURITY DATE</b> | <b>FACE VALUE</b>    | <b>COST</b>          | <b>MARKET VALUE</b>  | <b>UNREALIZED GAIN/(LOSS)</b> |
|--------------------------------|-------------|----------------------|----------------------|----------------------|----------------------|-------------------------------|
| JPMORGAN CHASE & CO            | 5.125%      | 09/15/2014           | 50,000.00            | 47,334.00            | 47,227.50            | (106.50)                      |
| TXU CORP SER                   | 5.550%      | 11/15/2014           | 100,000.00           | 90,020.00            | 90,702.00            | 682.00                        |
| NEWS AMER INC                  | 5.300%      | 12/15/2014           | 100,000.00           | 95,195.00            | 94,896.00            | (299.00)                      |
| ENTERGY GULF STATES            | 5.250%      | 08/01/2015           | 100,000.00           | 99,662.00            | 90,933.00            | (8,729.00)                    |
| XTO ENERGY INC                 | 5.650%      | 04/01/2016           | 100,000.00           | 96,821.00            | 94,824.00            | (1,997.00)                    |
| <b>FOREIGN BONDS AND NOTES</b> |             |                      |                      |                      |                      |                               |
| DEUTSCHE TELEKOM INTL FIN B V  | 8.000%      | 06/15/2010           | 100,000.00           | 108,248.00           | 107,357.00           | (891.00)                      |
| ROYAL KPN NV                   | 8.000%      | 10/01/2010           | 100,000.00           | 107,181.00           | 106,068.00           | (1,113.00)                    |
| BRITISH TELECOM PLC            | 8.375%      | 12/15/2010           | 100,000.00           | 110,498.00           | 109,787.00           | (711.00)                      |
| FRANCE TELECOM                 | VAR         | 03/01/2011           | 100,000.00           | 108,421.00           | 107,421.00           | (1,000.00)                    |
| ANADARKO FINANCE CO            | 6.750%      | 05/01/2011           | 100,000.00           | 104,467.00           | 102,751.00           | (1,716.00)                    |
| CORPORACION ANDINA DE FOMENTO  | 6.875%      | 03/15/2012           | 150,000.00           | 151,972.50           | 156,900.00           | 4,927.50                      |
| TYCO INTL GROUP                | 6.000%      | 11/15/2013           | 100,000.00           | 99,157.00            | 99,070.00            | (87.00)                       |
| ENCANA HLDGS FIN COPR          | 5.800%      | 05/01/2014           | 100,000.00           | 106,928.00           | 97,788.00            | (9,140.00)                    |
| <b>SUB TOTAL-SMITH BARNEY</b>  |             |                      | <b>20,592,459.17</b> | <b>20,823,931.04</b> | <b>20,316,129.63</b> | <b>(507,801.41)</b>           |
| <b>TOTAL INVESTMENTS</b>       |             |                      | <b>42,678,476.12</b> | <b>43,389,457.34</b> | <b>42,066,802.29</b> | <b>(1,322,655.05)</b>         |

**PROPERTY/CASUALTY  
INVESTMENT SCHEDULE**  
June 30, 2006

| ASSET DESCRIPTION             | SYM  | SHARES  | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|-------------------------------|------|---------|----------------|-----------------|--------------|------------------------|
| SB MONEY FUNDS                |      | 357,482 | 1.000          | 357,482.04      | 357,482.04   | 0.00                   |
| CASH BALANCE                  |      | 3,706   | 1.000          | 3,706.27        | 3,706.27     | 0.00                   |
| 3M COMPANY                    | MMM  | 1,033   | 83.890         | 86,658.37       | 83,435.41    | (3,222.96)             |
| ABBOTT LABORATORIES           | ABT  | 369     | 40.672         | 15,008.22       | 16,092.09    | 1,083.87               |
| ABBOTT LABORATORIES           | ABT  | 216     | 34.388         | 7,427.97        | 9,419.76     | 1,991.79               |
| ABBOTT LABORATORIES           | ABT  | 352     | 42.622         | 15,003.14       | 15,350.72    | 347.58                 |
| ABBOTT LABORATORIES           | ABT  | 130     | 42.300         | 5,499.00        | 5,669.30     | 170.30                 |
| AETNA INC                     | AET  | 2,185   | 39.711         | 86,770.28       | 87,247.05    | 476.77                 |
| AFLAC INC                     | AFL  | 705     | 46.586         | 32,843.27       | 32,676.75    | (166.52)               |
| AFLAC INC                     | AFL  | 155     | 45.731         | 7,088.40        | 7,184.25     | 95.85                  |
| AFLAC INC                     | AFL  | 15      | 45.750         | 686.25          | 695.25       | 9.00                   |
| AFLAC INC                     | AFL  | 10      | 45.738         | 457.38          | 463.50       | 6.12                   |
| AFLAC INC                     | AFL  | 72      | 45.996         | 3,311.78        | 3,337.20     | 25.42                  |
| ALCOA INC                     | AA   | 2,690   | 32.218         | 86,666.42       | 87,048.40    | 381.98                 |
| AMER INTERNATIONAL GROUP INC  | AIG  | 210     | 81.068         | 17,024.47       | 12,400.50    | (4,623.97)             |
| AMER INTERNATIONAL GROUP INC  | AIG  | 457     | 72.840         | 33,287.88       | 26,985.85    | (6,302.03)             |
| AMER INTERNATIONAL GROUP INC  | AIG  | 247     | 67.704         | 16,723.09       | 14,585.35    | (2,137.74)             |
| AMER INTERNATIONAL GROUP INC  | AIG  | 95      | 65.692         | 6,240.77        | 5,609.75     | (631.02)               |
| AMER INTERNATIONAL GROUP INC  | AIG  | 108     | 65.631         | 7,088.17        | 6,377.40     | (710.77)               |
| AMERICAN INTL GROUP INC       | AIG  | 1,422   | 60.958         | 86,682.56       | 83,969.10    | (2,713.46)             |
| AMERICAN INTL GROUP, INC.     | AIG  | 60      | 49.383         | 2,963.03        | 3,543.00     | 579.97                 |
| AMERICAN INTL GROUP, INC.     | AIG  | 499     | 59.563         | 29,721.95       | 29,465.95    | (256.00)               |
| AMERICAN INTL GROUP, INC.     | AIG  | 266     | 59.540         | 15,837.64       | 15,707.30    | (130.34)               |
| AMERICAN INTL GROUP, INC.     | AIG  | 83      | 70.028         | 5,812.38        | 4,901.15     | (911.23)               |
| AMERICAN INTL GROUP, INC.     | AIG  | 149     | 60.144         | 8,961.46        | 8,798.45     | (163.01)               |
| AMERICAN INTL GROUP, INC.     | AIG  | 853     | 65.590         | 55,949.04       | 50,369.65    | (5,579.39)             |
| AMGEN INC                     | AMGN | 39      | 64.558         | 2,517.78        | 2,543.97     | 26.19                  |
| AMGEN INC                     | AMGN | 58      | 65.300         | 3,787.40        | 3,783.34     | (4.06)                 |
| AMGEN INC                     | AMGN | 300     | 58.496         | 17,548.83       | 19,569.00    | 2,020.17               |
| AMGEN INC                     | AMGN | 220     | 58.496         | 12,869.14       | 14,350.60    | 1,481.46               |
| AMGEN INC                     | AMGN | 100     | 58.496         | 5,849.61        | 6,523.00     | 673.39                 |
| AMGEN INC                     | AMGN | 84      | 58.079         | 4,878.67        | 5,479.32     | 600.65                 |
| AMGEN INC                     | AMGN | 146     | 63.537         | 9,276.48        | 9,523.58     | 247.10                 |
| AMGEN INC                     | AMGN | 170     | 63.209         | 10,745.53       | 11,089.10    | 343.57                 |
| AMGEN INC                     | AMGN | 150     | 61.230         | 9,184.50        | 9,784.50     | 600.00                 |
| AON CORP                      | AOC  | 207     | 23.894         | 4,946.14        | 7,207.74     | 2,261.60               |
| AON CORP                      | AOC  | 978     | 21.870         | 21,388.86       | 34,053.96    | 12,665.10              |
| APACHE CORP                   | APA  | 67      | 30.009         | 2,009.63        | 4,572.75     | 2,563.12               |
| APACHE CORP                   | APA  | 376     | 38.725         | 14,560.60       | 25,662.00    | 11,101.40              |
| APACHE CORP                   | APA  | 18      | 68.800         | 1,238.40        | 1,228.50     | (9.90)                 |
| APOLLO GROUP INC CL A         | APOL | 1,815   | 53.050         | 96,285.75       | 93,781.05    | (2,504.70)             |
| APPLIED MATERIALS INC         | AMAT | 5,053   | 17.150         | 86,658.95       | 82,262.84    | (4,396.11)             |
| AT & T INC                    | SBC  | 273     | 42.562         | 11,619.57       | 7,613.97     | (4,005.60)             |
| AT & T INC                    | SBC  | 631     | 42.967         | 27,112.43       | 17,598.59    | (9,513.84)             |
| AT & T INC                    | SBC  | 536     | 19.351         | 10,372.46       | 14,949.04    | 4,576.58               |
| AT & T INC                    | SBC  | 173     | 23.277         | 4,026.96        | 4,824.97     | 798.01                 |
| AT & T INC                    | SBC  | 191     | 24.481         | 4,675.95        | 5,326.99     | 651.04                 |
| AT & T INC                    | SBC  | 719     | 24.477         | 17,599.03       | 20,052.91    | 2,453.88               |
| AT & T INC                    | SBC  | 80      | 24.744         | 1,979.53        | 2,231.20     | 251.67                 |
| AT & T INC                    | SBC  | 80      | 24.765         | 1,981.24        | 2,231.20     | 249.96                 |
| AT & T INC                    | SBC  | 205     | 24.754         | 5,074.61        | 5,717.45     | 642.84                 |
| AT & T INC                    | SBC  | 395     | 24.672         | 9,745.68        | 11,016.55    | 1,270.87               |
| AT & T INC                    | SBC  | 234     | 24.638         | 5,765.34        | 6,526.26     | 760.92                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 254     | 43.969         | 11,168.28       | 11,518.90    | 350.62                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 388     | 43.904         | 17,035.10       | 17,595.80    | 560.70                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 288     | 43.746         | 12,598.96       | 13,060.80    | 461.84                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 128     | 41.655         | 5,331.84        | 5,804.80     | 472.96                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 147     | 41.624         | 6,118.79        | 6,666.45     | 547.66                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 33      | 41.628         | 1,373.74        | 1,496.55     | 122.81                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 162     | 42.677         | 6,913.72        | 7,346.70     | 432.98                 |
| AUTOMATIC DATA PROCESSING INC | ADP  | 400     | 46.561         | 18,624.40       | 18,140.00    | (484.40)               |
| AUTOMATIC DATA PROCESSING INC | ADP  | 99      | 45.497         | 4,504.24        | 4,489.65     | (14.59)                |

PROPERTY/CASUALTY  
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| ASSET DESCRIPTION            | SYM | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|------------------------------|-----|--------|----------------|-----------------|--------------|------------------------|
| BAKER HUGHES                 | BH  | 96     | 27.778         | 2,666.76        | 7,857.60     | 5,190.84               |
| BAKER HUGHES                 | BH  | 468    | 28.400         | 13,291.20       | 38,305.80    | 25,014.60              |
| BANCO SANTANDER CENT HISPANO | STD | 3,937  | 11.606         | 46,482.58       | 57,558.94    | 11,076.36              |
| BANCO SANTANDER CENT HISPANO | STD | 10     | 14.170         | 141.70          | 146.20       | 4.50                   |
| BANK NEW YORK                | BK  | 548    | 33.347         | 18,274.49       | 17,645.60    | (628.89)               |
| BANK NEW YORK                | BK  | 382    | 29.985         | 11,454.50       | 12,300.40    | 845.90                 |
| BANK NEW YORK                | BK  | 316    | 31.500         | 9,954.00        | 10,175.20    | 221.20                 |
| BANK NEW YORK                | BK  | 190    | 32.232         | 6,124.08        | 6,118.00     | (6.08)                 |
| BANK NEW YORK                | BK  | 175    | 30.963         | 5,418.58        | 5,635.00     | 216.42                 |
| BANK NEW YORK                | BK  | 162    | 30.688         | 4,971.46        | 5,216.40     | 244.94                 |
| BANK NEW YORK                | BK  | 122    | 30.562         | 3,728.56        | 3,928.40     | 199.84                 |
| BANK NEW YORK                | BK  | 126    | 30.581         | 3,853.24        | 4,057.20     | 203.96                 |
| BANK NEW YORK                | BK  | 85     | 31.593         | 2,685.41        | 2,737.00     | 51.59                  |
| BANK NEW YORK INC            | BK  | 1,448  | 32.998         | 47,782.26       | 46,625.60    | (1,156.66)             |
| BANK NEW YORK INC            | BK  | 367    | 32.420         | 11,898.14       | 11,817.40    | (60.74)                |
| BANK OF AMERICA CORP         | BAC | 87     | 34.452         | 2,980.60        | 4,161.77     | 1,161.17               |
| BANK OF AMERICA CORP         | BAC | 516    | 36.246         | 18,713.98       | 24,837.21    | 6,123.23               |
| BANK OF AMERICA CORP         | BAC | 765    | 29.699         | 22,720.32       | 36,801.82    | 14,081.50              |
| BANK OF AMERICA CORP         | BAC | 207    | 47.948         | 9,925.42        | 9,956.70     | 31.28                  |
| BANK OF AMERICA CORP         | BAC | 1,183  | 45.658         | 54,013.41       | 56,902.30    | 2,888.89               |
| BANK OF AMERICA CORP         | BAC | 274    | 43.770         | 11,992.98       | 13,179.40    | 1,186.42               |
| BARRICK GOLD CORP CAD        | ABX | 75     | 24.346         | 1,826.00        | 2,220.00     | 394.00                 |
| BARRICK GOLD CORP CAD        | ABX | 449    | 24.332         | 10,925.34       | 13,290.40    | 2,365.06               |
| BARRICK GOLD CORP CAD        | ABX | 60     | 24.590         | 1,475.44        | 1,776.00     | 300.56                 |
| BARRICK GOLD CORP CAD        | ABX | 35     | 24.999         | 874.98          | 1,036.00     | 161.02                 |
| BARRICK GOLD CORP CAD        | ABX | 116    | 27.897         | 3,236.13        | 3,433.60     | 197.47                 |
| BARRICK GOLD CORP CAD        | ABX | 40     | 27.457         | 1,098.28        | 1,184.00     | 85.72                  |
| BARRICK GOLD CORP CAD        | ABX | 307    | 26.978         | 8,282.49        | 9,087.20     | 804.71                 |
| BARRICK GOLD CORP CAD        | ABX | 385    | 27.428         | 10,559.93       | 11,396.00    | 836.07                 |
| BARRICK GOLD CORP CAD        | ABX | 67     | 27.192         | 1,821.89        | 1,983.20     | 161.31                 |
| BARRICK GOLD CORP CAD        | ABX | 400    | 26.904         | 10,761.68       | 11,840.00    | 1,078.32               |
| BARRICK GOLD CORP CAD        | ABX | 240    | 26.928         | 6,462.89        | 7,104.00     | 641.11                 |
| BARRICK GOLD CORP CAD        | ABX | 200    | 26.963         | 5,392.64        | 5,920.00     | 527.36                 |
| BARRICK GOLD CORP CAD        | ABX | 406    | 26.910         | 10,925.66       | 12,017.60    | 1,091.94               |
| BAXTER INTL INC              | BAX | 502    | 29.406         | 14,762.21       | 18,453.52    | 3,691.31               |
| BAXTER INTL INC              | BAX | 95     | 30.427         | 2,890.65        | 3,492.20     | 601.55                 |
| BAXTER INTL INC              | BAX | 199    | 30.590         | 6,087.41        | 7,315.24     | 1,227.63               |
| BAXTER INTL INC              | BAX | 128    | 30.995         | 3,967.46        | 4,705.28     | 737.82                 |
| BAXTER INTL INC              | BAX | 27     | 30.999         | 836.98          | 992.52       | 155.54                 |
| BAXTER INTL INC              | BAX | 199    | 30.999         | 6,168.96        | 7,315.24     | 1,146.28               |
| BAXTER INTL INC              | BAX | 205    | 32.405         | 6,643.03        | 7,535.80     | 892.77                 |
| BAXTER INTL INC              | BAX | 169    | 30.035         | 5,076.00        | 6,212.44     | 1,136.44               |
| BAXTER INTL INC              | BAX | 79     | 33.460         | 2,643.40        | 2,904.04     | 260.64                 |
| BAXTER INTL INC              | BAX | 40     | 33.585         | 1,343.42        | 1,470.40     | 126.98                 |
| BAXTER INTL INC              | BAX | 64     | 33.495         | 2,143.69        | 2,352.64     | 208.95                 |
| BCE INC                      | BCE | 6      | 18.744         | 112.47          | 141.90       | 29.43                  |
| BCE INC                      | BCE | 411    | 19.140         | 7,866.54        | 9,720.15     | 1,853.61               |
| BCE INC                      | BCE | 761    | 22.750         | 17,312.75       | 17,997.65    | 684.90                 |
| BCE INC                      | BCE | 110    | 23.790         | 2,616.90        | 2,601.50     | (15.40)                |
| BEARINGPOINT INC             | BE  | 1,345  | 6.780          | 9,119.10        | 11,257.65    | 2,138.55               |
| BEARINGPOINT INC             | BE  | 787    | 7.070          | 5,564.09        | 6,587.19     | 1,023.10               |
| BEARINGPOINT INC             | BE  | 351    | 10.060         | 3,531.18        | 2,937.87     | (593.31)               |
| BEARINGPOINT INC             | BE  | 625    | 8.899          | 5,562.44        | 5,231.25     | (331.19)               |
| BEARINGPOINT INC             | BE  | 1,204  | 9.850          | 11,859.40       | 10,077.48    | (1,781.92)             |
| BEARINGPOINT INC             | BE  | 582    | 8.990          | 5,232.18        | 4,871.34     | (360.84)               |
| TECTON DICKINSON & CO        | BDX | 61     | 60.652         | 86,653.96       | 87,049.12    | 395.16                 |
| BELLSOUTH CORP               | BLS | 31     | 27.000         | 837.00          | 1,122.20     | 285.20                 |
| BELLSOUTH CORP               | BLS | 231    | 26.999         | 6,236.64        | 8,362.20     | 2,125.36               |
| BELLSOUTH CORP               | BLS | 306    | 26.998         | 8,261.66        | 11,077.20    | 2,815.54               |
| BELLSOUTH CORP               | BLS | 176    | 26.997         | 4,751.47        | 6,371.20     | 1,619.73               |
| BELLSOUTH CORP               | BLS | 613    | 26.997         | 16,549.53       | 22,190.60    | 5,641.07               |
| BMC SOFTWARE INC             | BMC | 2,601  | 14.589         | 37,948.07       | 62,163.90    | 24,215.83              |
| BOEING CO                    | BA  | 1,042  | 83.239         | 86,735.66       | 85,350.22    | (1,385.44)             |
| BOSTON SCIENTIFIC CORP       | BSX | 225    | 21.699         | 4,862.34        | 3,789.00     | (1,093.34)             |

PROPERTY/CASUALTY  
INVESTMENT SCHEDULE  
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| ASSET DESCRIPTION            | SYM   | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|------------------------------|-------|--------|----------------|-----------------|--------------|------------------------|
| BOSTON SCIENTIFIC CORP       | BSX   | 165    | 24.114         | 3,978.84        | 2,778.60     | (1,200.24)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 520    | 24.153         | 12,559.87       | 8,756.80     | (3,803.07)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 345    | 23.623         | 8,150.00        | 5,809.80     | (2,340.20)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 170    | 23.648         | 4,020.18        | 2,862.80     | (1,157.38)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 451    | 23.557         | 10,624.34       | 7,594.84     | (3,029.50)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 485    | 21.474         | 10,415.08       | 8,167.40     | (2,247.68)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 810    | 21.313         | 17,264.10       | 13,640.40    | (3,623.70)             |
| BOSTON SCIENTIFIC CORP       | BSX   | 381    | 16.813         | 6,406.02        | 6,416.04     | 10.02                  |
| BP PLC SPONS ADR             | BP    | 459    | 39.290         | 18,034.11       | 31,950.99    | 13,916.88              |
| BP PLC SPONS ADR             | BP    | 415    | 45.460         | 18,865.90       | 28,888.15    | 10,022.25              |
| BRISTOL MYERS SQUIBB CO      | BMY   | 564    | 22.030         | 12,424.92       | 14,585.04    | 2,160.12               |
| BRISTOL MYERS SQUIBB CO      | BMY   | 330    | 22.580         | 7,451.40        | 8,533.80     | 1,082.40               |
| BRISTOL MYERS SQUIBB CO      | BMY   | 754    | 25.860         | 19,498.44       | 19,498.44    | -                      |
| BRISTOL MYERS SQUIBB CO      | BMY   | 97     | 22.480         | 2,180.56        | 2,508.42     | 327.86                 |
| CADENCE DESIGN SYSTEMS INC   | CDN   | 901    | 12.164         | 10,959.94       | 15,425.12    | 4,465.18               |
| CADENCE DESIGN SYSTEMS INC   | CDN   | 559    | 16.700         | 9,335.30        | 9,570.08     | 234.78                 |
| CADENCE DESIGN SYSTEMS INC   | CDN   | 1,041  | 13.362         | 13,910.82       | 17,821.92    | 3,911.10               |
| CAE INC                      | CGT   | 2,215  | 4.390          | 9,723.85        | 16,922.60    | 7,198.75               |
| CAE INC                      | CGT   | 1,629  | 3.917          | 6,380.79        | 12,445.56    | 6,064.77               |
| CAE INC                      | CGT   | 1,394  | 4.040          | 5,631.76        | 10,650.16    | 5,018.40               |
| CAE INC                      | CGT   | 412    | 4.042          | 1,665.30        | 3,147.68     | 1,482.38               |
| CAMPBELL SOUP CO             | CPB   | 73     | 30.685         | 2,240.06        | 2,709.03     | 468.97                 |
| CAMPBELL SOUP CQ             | CPB   | 142    | 30.673         | 4,355.59        | 5,269.62     | 914.03                 |
| CAMPBELL SOUP CO             | CPB   | 88     | 30.502         | 2,684.24        | 3,265.68     | 581.44                 |
| CAMPBELL SOUP CO             | CPB   | 194    | 30.388         | 5,895.31        | 7,199.34     | 1,304.03               |
| CAMPBELL SOUP CO             | CPB   | 97     | 30.472         | 2,955.87        | 3,599.67     | 643.80                 |
| CAMPBELL SOUP CO             | CPB   | 201    | 30.521         | 6,134.72        | 7,459.11     | 1,324.39               |
| CAMPBELL SOUP CO             | CPB   | 141    | 30.543         | 4,306.63        | 5,232.51     | 925.88                 |
| CAMPBELL SOUP CO             | CPB   | 71     | 30.514         | 2,166.55        | 2,634.81     | 468.26                 |
| CAMPBELL SOUP CO             | CPB   | 167    | 30.476         | 5,089.56        | 6,197.37     | 1,107.81               |
| CAMPBELL SOUP CO             | CPB   | 177    | 30.381         | 5,377.60        | 6,568.47     | 1,190.87               |
| CAMPBELL SOUP CO             | CPB   | 373    | 29.643         | 11,056.84       | 13,842.03    | 2,785.19               |
| CAMPBELL SOUP CO             | CPB   | 125    | 30.833         | 3,854.24        | 4,638.75     | 784.51                 |
| CAMPBELL SOUP CO             | CPB   | 55     | 30.966         | 1,703.15        | 2,041.05     | 337.90                 |
| CAMPBELL SOUP CO             | CPB   | 87     | 30.909         | 2,689.09        | 3,228.57     | 539.48                 |
| CARDINAL HEALTH INC          | CAH   | 604    | 74.940         | 45,264.23       | 38,855.32    | (6,408.91)             |
| CARNIVAL CORP (PAIRED STOCK) | CCL   | 791    | 48.866         | 38,653.64       | 33,016.34    | (5,637.30)             |
| CARNIVAL CORP (PAIRED STOCK) | CCL   | 199    | 54.750         | 10,895.25       | 8,306.26     | (2,588.99)             |
| CARNIVAL CORP (PAIRED STOCK) | CCL   | 178    | 52.250         | 9,300.50        | 7,429.72     | (1,870.78)             |
| CARNIVAL CORP (PAIRED STOCK) | CCL   | 404    | 47.293         | 19,106.37       | 16,862.96    | (2,243.41)             |
| CATERPILLAR INC              | CAT   | 1,191  | 72.831         | 86,742.67       | 88,705.68    | 1,963.01               |
| CELGENE CORP                 | CELG  | 922    | 48.713         | 22,456.88       | 43,730.46    | 21,273.58              |
| CELGENE CORP                 | CELG  | 6      | 69.530         | 208.59          | 284.58       | 75.99                  |
| CEMEX S.A. SPLY ADR          | CX    | 1,293  | 62.921         | 81,361.90       | 73,662.21    | (7,699.69)             |
| CENTRAL PKG CORP             | CPC   | 508    | 9.824          | 4,990.74        | 8,128.00     | 3,137.26               |
| CENTRAL PKG CORP             | CPC   | 734    | 10.104         | 7,417.00        | 11,744.00    | 4,327.00               |
| CENTRAL PKG CORP             | CPC   | 497    | 13.560         | 6,739.32        | 7,952.00     | 1,212.68               |
| CERIDIAN CORP                | CEN   | 481    | 14.080         | 6,772.48        | 11,755.64    | 4,983.16               |
| CERIDIAN CORP                | CEN   | 435    | 21.350         | 9,287.25        | 10,631.40    | 1,344.15               |
| CERIDIAN CORP                | CEN   | 301    | 24.720         | 7,440.72        | 7,356.44     | (84.28)                |
| CHECK POINT SOFTWARE         | CHKP  | 112    | 13.950         | 1,562.40        | 1,971.20     | 408.80                 |
| CHECK POINT SOFTWARE         | CHKP  | 390    | 15.460         | 6,029.40        | 6,864.00     | 834.60                 |
| CHECK POINT SOFTWARE         | CHKP  | 220    | 16.550         | 3,641.00        | 3,872.00     | 231.00                 |
| CHECK POINT SOFTWARE         | CHKP  | 876    | 17.000         | 14,892.00       | 15,417.60    | 525.60                 |
| CHECK POINT SOFTWARE         | CHKP  | 443    | 21.580         | 9,559.94        | 7,796.80     | (1,763.14)             |
| CHEUNG KONG HOLDING          | CHEUY | 2,080  | 6.350          | 13,208.00       | 22,534.72    | 9,326.72               |
| CHEUNG KONG HOLDING          | CHEUY | 1,243  | 6.500          | 8,079.50        | 13,466.66    | 5,387.16               |
| CHEUNG KONG HOLDING          | CHEUY | 2,105  | 7.964          | 16,764.22       | 22,605.57    | 6,041.35               |
| CHEVRON CORP                 | CVX   | 1,020  | 58.904         | 60,082.69       | 63,301.20    | 3,218.51               |
| CIGNA CORP                   | CI    | 61     | 44.200         | 2,696.20        | 6,009.11     | 3,312.91               |
| CIGNA CORP                   | CI    | 191    | 54.860         | 10,478.26       | 18,815.41    | 8,337.15               |
| CISCO SYS INC                | CSCO  | 3,830  | 19.390         | 74,263.70       | 74,799.90    | 536.20                 |
| CISCO SYS INC                | CSCO  | 473    | 19.420         | 9,185.66        | 9,237.69     | 52.03                  |
| CISCO SYS INC                | CSCO  | 1,768  | 22.145         | 39,153.77       | 34,529.04    | (4,624.73)             |

PROPERTY/CASUALTY  
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| ASSET DESCRIPTION                  | SYM   | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|------------------------------------|-------|--------|----------------|-----------------|--------------|------------------------|
| CISCO SYS INC                      | CSCO  | 751    | 19.659         | 14,764.58       | 14,667.03    | (97.55)                |
| CISCO SYS INC                      | CSCO  | 1,227  | 19.777         | 24,267.00       | 23,963.31    | (303.69)               |
| CITIGROUP INC                      | C     | 336    | 47.340         | 15,906.24       | 16,212.00    | 305.76                 |
| CITIGROUP INC                      | C     | 647    | 44.180         | 28,584.46       | 31,217.75    | 2,633.29               |
| CITIGROUP INC                      | C     | 281    | 46.092         | 12,952.10       | 13,558.25    | 606.15                 |
| CITIGROUP, INC                     | C     | 179    | 51.563         | 9,229.87        | 8,636.75     | (593.12)               |
| CITIGROUP, INC                     | C     | 449    | 46.633         | 20,938.29       | 21,664.25    | 725.96                 |
| CITIGROUP, INC                     | C     | 742    | 25.191         | 18,691.74       | 35,801.50    | 17,109.76              |
| CITIGROUP, INC                     | C     | 421    | 28.161         | 11,855.91       | 20,313.25    | 8,457.34               |
| CLOROX COMPANY DE                  | CLX   | 319    | 55.050         | 17,560.95       | 19,449.43    | 1,888.48               |
| CLOROX COMPANY DE                  | CLX   | 42     | 56.988         | 2,393.50        | 2,560.74     | 167.24                 |
| CLOROX COMPANY DE                  | CLX   | 162    | 56.948         | 9,225.59        | 9,877.14     | 651.55                 |
| CLOROX COMPANY DE                  | CLX   | 25     | 56.999         | 1,424.99        | 1,524.25     | 99.26                  |
| CLOROX COMPANY DE                  | CLX   | 157    | 56.899         | 8,933.17        | 9,572.29     | 639.12                 |
| CLOROX COMPANY DE                  | CLX   | 69     | 61.735         | 4,259.74        | 4,206.93     | (52.81)                |
| CLOROX COMPANY DE                  | CLX   | 23     | 60.992         | 1,402.82        | 1,402.31     | (0.51)                 |
| COACH                              | COH   | 1,468  | 27.014         | 39,657.91       | 43,893.20    | 4,235.29               |
| COACH                              | COH   | 281    | 32.982         | 9,268.19        | 8,401.90     | (866.29)               |
| COCA-COLA CO                       | KO    | 1,978  | 43.850         | 86,735.30       | 85,093.56    | (1,641.74)             |
| COCA-COLA CO                       | KO    | 900    | 43.204         | 38,884.14       | 38,718.00    | (166.14)               |
| COCA-COLA CO                       | KO    | 112    | 43.166         | 4,834.69        | 4,818.24     | (16.45)                |
| COCA-COLA CO                       | KO    | 273    | 42.450         | 11,588.93       | 11,744.46    | 155.53                 |
| COGNOS INC                         | COGN  | 1,028  | 37.149         | 38,189.17       | 29,246.60    | (8,942.57)             |
| COGNOS INC                         | COGN  | 242    | 36.699         | 8,881.33        | 6,884.90     | (1,996.43)             |
| COGNOS INC                         | COGN  | 698    | 31.292         | 21,842.23       | 19,858.10    | (1,984.13)             |
| COLGATE PALMOLIVE CO               | CL    | 1,372  | 60.728         | 83,320.05       | 82,182.80    | (1,137.25)             |
| COMCAST CORP                       | CMCSK | 958    | 22.425         | 21,483.15       | 31,403.24    | 9,920.09               |
| COMCAST CORP                       | CMCSK | 473    | 22.434         | 10,611.28       | 15,504.94    | 4,893.66               |
| COMCAST CORP                       | CMCSK | 31     | 28.130         | 872.03          | 1,016.18     | 144.15                 |
| COMCAST CORP                       | CMCSK | 69     | 29.700         | 2,049.30        | 2,261.82     | 212.52                 |
| COMCAST CORP                       | CMCSK | 315    | 29.673         | 9,347.09        | 10,325.70    | 978.61                 |
| COMCAST CORP                       | CMCSK | 74     | 29.691         | 2,197.14        | 2,425.72     | 228.58                 |
| COMCAST CORP                       | CMCSK | 403    | 27.832         | 11,216.54       | 13,210.34    | 1,993.80               |
| COMMERCE BANCORP INC N J           | CBH   | 950    | 34.260         | 32,547.00       | 33,886.50    | 1,339.50               |
| COMPANHIA SIDERURGICA NACIONAL SID |       | 1,105  | 19.140         | 21,149.81       | 35,581.00    | 14,431.19              |
| COMPANHIA SIDERURGICA NACIONAL SID |       | 746    | 28.235         | 21,063.83       | 24,021.20    | 2,957.37               |
| COMPANHIA VALE DO RIO DOCE         | ROIPR | 338    | 8.886          | 1,501.85        | 6,956.04     | 5,454.19               |
| COMPANHIA VALE DO RIO DOCE         | ROIPR | 1,140  | 15.266         | 8,702.00        | 23,461.20    | 14,759.20              |
| CONOCOPHILLIPS                     | COP   | 245    | 42.970         | 10,515.80       | 16,054.85    | 5,539.05               |
| CONOCOPHILLIPS                     | COP   | 736    | 61.882         | 45,545.15       | 48,230.08    | 2,684.93               |
| COUNTRYWIDE FINANCIAL CORP         | CFC   | 792    | 35.386         | 28,025.87       | 30,159.36    | 2,133.49               |
| COUNTRYWIDE FINANCIAL CORP         | CFC   | 1,009  | 34.230         | 34,538.19       | 38,422.72    | 3,884.53               |
| CREDIT SUISSE GROUP ADR            | CSR   | 1,053  | 56.855         | 59,868.95       | 58,957.47    | (911.48)               |
| DANAHER CORP DE                    | DHR   | 226    | 51.892         | 11,727.76       | 14,536.32    | 2,808.56               |
| DANAHER CORP DE                    | DHR   | 530    | 55.750         | 29,547.50       | 34,089.60    | 4,542.10               |
| DANAHER CORP DE                    | DHR   | 7      | 57.560         | 402.92          | 450.24       | 47.32                  |
| DEERE & CO                         | DE    | 430    | 42.039         | 18,076.90       | 35,900.70    | 17,823.80              |
| DEERE & CO                         | DE    | 8      | 46.000         | 368.00          | 667.92       | 299.92                 |
| DEERE & CO                         | DE    | 12     | 45.998         | 551.98          | 1,001.88     | 449.90                 |
| DEERE & CO                         | DE    | 78     | 45.971         | 3,585.78        | 6,512.22     | 2,926.44               |
| DEERE & CO                         | DE    | 187    | 42.788         | 8,001.39        | 15,612.63    | 7,611.24               |
| DELL INC                           | DELL  | 1,845  | 32.981         | 60,851.61       | 45,128.70    | (15,722.91)            |
| DELL INC                           | DELL  | 1,134  | 31.194         | 35,374.79       | 27,737.64    | (7,637.15)             |
| DELL INC                           | DELL  | 168    | 31.830         | 5,347.44        | 4,109.28     | (1,238.16)             |
| DELL INC                           | DELL  | 885    | 24.450         | 21,638.25       | 21,647.10    | 8.85                   |
| DIAGEO PLC SPON ADR                | DEO   | 70     | 59.804         | 4,186.34        | 4,728.50     | 542.16                 |
| DIAGEO PLC SPON ADR                | DEO   | 240    | 59.236         | 14,216.78       | 16,212.00    | 1,995.22               |
| DIAGEO PLC SPON ADR                | DEO   | 65     | 59.275         | 3,852.92        | 4,390.75     | 537.83                 |
| DIAGEO PLC SPON ADR                | DEO   | 175    | 59.865         | 10,476.52       | 11,821.25    | 1,344.73               |
| DIAGEO PLC SPON ADR                | DEO   | 150    | 59.865         | 8,979.89        | 10,132.50    | 1,152.61               |
| DIAGEO PLC SPON ADR                | DEO   | 23     | 59.515         | 1,368.86        | 1,553.65     | 184.79                 |
| DIAGEO PLC SPON ADR                | DEO   | 30     | 60.254         | 1,807.62        | 2,026.50     | 218.88                 |
| DIAGEO PLC SPON ADR                | DEO   | 40     | 60.450         | 2,418.00        | 2,702.00     | 284.00                 |
| DIAMOND OFFSHORE DRILLING INC      | DO    | 1,009  | 85.830         | 86,602.47       | 84,685.37    | (1,917.10)             |

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INVESTMENT SCHEDULE  
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| ASSET DESCRIPTION                 | SYM  | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|-----------------------------------|------|--------|----------------|-----------------|--------------|------------------------|
| DIRECTV GROUP INC                 | DTV  | 2,606  | 16.500         | 43,000.31       | 42,999.00    | (1.31)                 |
| DIRECTV GROUP INC                 | DTV  | 473    | 14.658         | 6,933.26        | 7,804.50     | 871.22                 |
| DOW CHEMICAL CO                   | DOW  | 98     | 27.080         | 2,653.84        | 3,824.94     | 1,171.10               |
| DOW CHEMICAL CO                   | DOW  | 277    | 28.380         | 7,861.26        | 10,811.31    | 2,950.05               |
| DOW CHEMICAL CO                   | DOW  | 320    | 39.520         | 12,646.40       | 12,489.60    | (156.80)               |
| EATON CORP                        | ETN  | 452    | 31.997         | 14,463.01       | 34,080.80    | 19,617.79              |
| EATON CORP                        | ETN  | 342    | 31.809         | 10,878.75       | 25,786.80    | 14,908.05              |
| EATON CORP                        | ETN  | 194    | 39.972         | 7,754.61        | 14,627.60    | 6,872.99               |
| EL PASO CORP                      | EP   | 180    | 12.293         | 2,212.74        | 2,700.00     | 487.26                 |
| EL PASO CORP                      | EP   | 555    | 12.299         | 6,826.11        | 8,325.00     | 1,498.89               |
| EL PASO CORP                      | EP   | 445    | 12.298         | 5,472.83        | 6,675.00     | 1,202.17               |
| EL PASO CORP                      | EP   | 475    | 12.295         | 5,840.41        | 7,125.00     | 1,284.59               |
| EL PASO CORP                      | EP   | 108    | 12.295         | 1,327.96        | 1,620.00     | 292.04                 |
| EL PASO CORP                      | EP   | 731    | 12.851         | 9,394.23        | 10,965.00    | 1,570.77               |
| EL PASO CORP                      | EP   | 3,060  | 11.300         | 34,579.22       | 45,900.00    | 11,320.78              |
| EL PASO CORP                      | EP   | 1,362  | 12.531         | 17,067.49       | 20,430.00    | 3,362.51               |
| ELECTRONIC DATA SYS CORP NEW      | EDS  | 235    | 23.486         | 5,519.35        | 5,654.10     | 134.75                 |
| ELECTRONIC DATA SYS CORP NEW      | EDS  | 500    | 23.358         | 11,679.40       | 12,030.00    | 350.60                 |
| ELECTRONIC DATA SYS CORP NEW      | EDS  | 80     | 23.994         | 1,919.56        | 1,924.80     | 5.24                   |
| ELECTRONIC DATA SYS CORP NEW      | EDS  | 305    | 23.998         | 7,319.54        | 7,338.30     | 18.76                  |
| ELECTRONIC DATA SYS CORP NEW      | EDS  | 35     | 23.997         | 839.90          | 842.10       | 2.20                   |
| ELETRONIC ARTS                    | ERTS | 823    | 56.542         | 46,534.56       | 35,421.92    | (11,112.64)            |
| ELETRONIC ARTS                    | ERTS | 21     | 52.939         | 1,111.72        | 903.84       | (207.88)               |
| ELETRONIC ARTS                    | ERTS | 624    | 41.448         | 25,863.55       | 26,858.96    | 993.41                 |
| ELI LILLY & CO                    | LLY  | 1,679  | 51.630         | 86,686.77       | 92,798.33    | 8,111.56               |
| EMBRAER AIRCRAFT CORP SPON AD     | ERJ  | 1,551  | 29.991         | 48,516.04       | 56,564.97    | 10,048.93              |
| EMERSON ELECTRIC CO               | EMR  | 775    | 66.610         | 51,622.75       | 64,952.75    | 13,330.00              |
| EMERSON ELECTRIC CO               | EMR  | 273    | 63.970         | 17,463.81       | 22,880.13    | 5,416.32               |
| EMERSON ELECTRIC CO               | EMR  | 49     | 48.377         | 2,370.52        | 4,106.89     | 1,736.17               |
| EMERSON ELECTRIC CO               | EMR  | 122    | 48.452         | 5,911.19        | 10,224.82    | 4,313.63               |
| EMERSON ELECTRIC CO               | EMR  | 474    | 62.438         | 29,595.66       | 39,725.94    | 10,130.28              |
| EMERSON ELECTRIC CO               | EMR  | 205    | 64.845         | 13,293.25       | 17,181.05    | 3,887.80               |
| EMERSON ELECTRIC CO               | EMR  | 126    | 70.341         | 8,862.99        | 10,560.06    | 1,697.07               |
| EMERSON ELECTRIC CO               | EMR  | 751    | 77.658         | 58,321.39       | 62,941.31    | 4,619.92               |
| ENI SPA SPONSORED ADR             | E    | 231    | 28.930         | 6,690.56        | 13,593.52    | 6,902.96               |
| ENI SPA SPONSORED ADR             | E    | 265    | 29.302         | 7,757.37        | 15,560.82    | 7,803.45               |
| ENI SPA SPONSORED ADR             | E    | 480    | 35.506         | 17,025.57       | 28,185.65    | 11,180.08              |
| ESTEE LAUDER COS INC CL A         | EL   | 404    | 37.181         | 15,021.36       | 15,622.68    | 801.32                 |
| ESTEE LAUDER COS INC CL A         | EL   | 304    | 39.897         | 12,128.96       | 11,755.68    | (373.28)               |
| ESTEE LAUDER COS INC CL A         | EL   | 398    | 39.097         | 15,560.92       | 15,390.66    | (170.26)               |
| EXXON CORP                        | XON  | 443    | 39.281         | 17,401.60       | 27,178.05    | 9,776.45               |
| EXXON CORP                        | XON  | 280    | 42.562         | 11,066.25       | 15,951.00    | 4,884.75               |
| EXXON CORP                        | XON  | 278    | 42.730         | 11,878.94       | 17,055.30    | 5,176.36               |
| EXXON CORP                        | XON  | 182    | 41.621         | 7,575.09        | 11,165.70    | 3,590.61               |
| EXXON CORP                        | XON  | 1,041  | 36.610         | 38,111.95       | 63,865.35    | 25,753.40              |
| EXXON CORP                        | XON  | 380    | 35.498         | 13,489.58       | 23,313.00    | 9,823.42               |
| EXXON CORP                        | XON  | 452    | 35.877         | 16,216.63       | 27,730.20    | 11,513.57              |
| EXXON CORP                        | XON  | 427    | 51.233         | 21,876.49       | 26,196.45    | 4,319.96               |
| FEDERAL NATIONAL MORTGAGE ASS FNM |      | 250    | 53.848         | 13,462.10       | 12,025.00    | (1,437.10)             |
| FEDERAL NATIONAL MORTGAGE ASS FNM |      | 170    | 53.786         | 9,143.76        | 8,177.00     | (966.76)               |
| FEDERAL NATIONAL MORTGAGE ASS FNM |      | 170    | 53.941         | 9,170.09        | 8,177.00     | (993.09)               |
| FEDERAL NATIONAL MORTGAGE ASS FNM |      | 217    | 53.882         | 11,692.46       | 10,437.70    | (1,254.76)             |
| FLEXTRONICS INTL LTD USD          | FLEX | 4,294  | 10.821         | 46,467.95       | 45,602.28    | (865.67)               |
| FRANCE TELECOM SA SPON ADR        | FTE  | 1,017  | 22.658         | 23,043.29       | 22,231.62    | (811.67)               |
| FRANKLIN RESOURCES INC            | BEN  | 968    | 89.625         | 86,757.19       | 84,032.08    | (2,725.11)             |
| FREEPORT MCMORAN COPPER           | FCX  | 1,582  | 54.732         | 86,587.45       | 87,658.62    | 1,071.17               |
| FREEPORT MCMORAN COPPER           | FCX  | 130    | 48.897         | 6,356.66        | 7,203.30     | 846.64                 |
| GENERAL DYNAMICS CORP             | GD   | 26     | 54.750         | 1,423.50        | 1,701.96     | 278.46                 |
| GENERAL DYNAMICS CORP             | GD   | 214    | 54.507         | 11,664.59       | 14,008.44    | 2,343.85               |
| GENERAL DYNAMICS CORP             | GD   | 308    | 54.010         | 16,635.16       | 20,161.68    | 3,526.52               |
| GENERAL ELECTRIC                  | GE   | 595    | 29.647         | 17,640.44       | 19,611.20    | 1,970.76               |
| GENERAL ELECTRIC                  | GE   | 278    | 30.549         | 8,492.65        | 9,162.88     | 670.23                 |
| GENERAL ELECTRIC                  | GE   | 1,193  | 36.610         | 43,675.73       | 39,321.28    | (4,354.45)             |
| GENERAL ELECTRIC                  | GE   | 459    | 35.220         | 16,165.98       | 15,128.64    | (1,037.34)             |

PROPERTY/CASUALTY  
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| ASSET DESCRIPTION                 | SYM   | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|-----------------------------------|-------|--------|----------------|-----------------|--------------|------------------------|
| GENERAL ELECTRIC                  | GE    | 45     | 29.650         | 1,334.25        | 1,483.20     | 148.95                 |
| GENERAL ELECTRIC                  | GE    | 1,049  | 33.146         | 34,770.47       | 34,575.04    | (195.43)               |
| GENERAL ELECTRIC                  | GE    | 691    | 34.440         | 23,798.04       | 22,775.36    | (1,022.68)             |
| GENERAL ELECTRIC                  | GE    | 18     | 33.400         | 601.20          | 593.28       | (7.92)                 |
| GENERAL ELECTRIC CO               | GE    | 1,335  | 31.120         | 41,545.87       | 44,001.60    | 2,455.73               |
| GENERAL ELECTRIC CO               | GE    | 709    | 31.707         | 22,480.76       | 23,368.64    | 887.88                 |
| GENERAL ELECTRIC CO               | GE    | 233    | 31.700         | 7,386.10        | 7,679.68     | 293.58                 |
| GENERAL ELECTRIC CO               | GE    | 86     | 35.500         | 3,053.00        | 2,834.56     | (218.44)               |
| GENERAL ELECTRIC CO               | GE    | 410    | 35.358         | 14,496.82       | 13,513.60    | (983.22)               |
| GENERAL ELECTRIC CO               | GE    | 314    | 34.025         | 10,684.13       | 10,349.44    | (334.69)               |
| GENERAL MILLS INC                 | GIS   | 457    | 44.865         | 20,503.53       | 23,608.62    | 3,105.09               |
| GENERAL MILLS INC                 | GIS   | 883    | 47.800         | 42,207.40       | 45,615.78    | 3,408.38               |
| GLAXOSMITHKLINE                   | GSK   | 143    | 38.768         | 5,543.85        | 7,979.40     | 2,435.55               |
| GLAXOSMITHKLINE                   | GSK   | 305    | 44.800         | 13,664.00       | 17,019.00    | 3,355.00               |
| GLAXOSMITHKLINE                   | GSK   | 144    | 43.010         | 6,193.44        | 8,035.20     | 1,841.78               |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 127    | 49.866         | 6,333.09        | 7,086.60     | 753.51                 |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 280    | 49.638         | 13,898.84       | 15,624.00    | 1,725.16               |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 157    | 49.944         | 7,841.24        | 8,760.60     | 919.36                 |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 130    | 49.995         | 6,499.47        | 7,254.00     | 754.53                 |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 281    | 49.898         | 14,021.42       | 15,679.80    | 1,658.38               |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 223    | 49.391         | 11,014.24       | 12,443.40    | 1,429.16               |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 181    | 49.751         | 9,005.08        | 10,099.80    | 1,094.72               |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 25     | 50.757         | 1,268.93        | 1,395.00     | 126.07                 |
| GLAXOSMITHKLINE PLC SP ADR        | GSK   | 49     | 50.832         | 2,490.79        | 2,734.20     | 243.41                 |
| HBOS PLC SPONSORED                | HBOOY | 1,265  | 51.172         | 64,732.71       | 65,979.87    | 1,247.16               |
| HEALTHWAYS INC                    | HWAY  | 657    | 27.612         | 18,141.21       | 34,584.48    | 16,443.27              |
| HEALTHWAYS INC                    | HWAY  | 63     | 43.531         | 2,742.49        | 3,316.32     | 573.83                 |
| HEWLETT PACKARD                   | HPQ   | 568    | 20.147         | 11,443.95       | 17,994.24    | 6,550.29               |
| HEWLETT PACKARD                   | HPQ   | 1,314  | 20.042         | 26,335.71       | 41,627.52    | 15,291.81              |
| HOME DEPOT INC                    | HD    | 2,272  | 38.086         | 86,531.39       | 81,314.88    | (5,216.51)             |
| HONEYWELL INTL INC                | HON   | 244    | 36.414         | 8,885.07        | 9,833.20     | 948.13                 |
| HONEYWELL INTL INC                | HON   | 456    | 36.359         | 16,579.89       | 18,376.80    | 1,796.91               |
| HONEYWELL INTL INC                | HON   | 121    | 36.442         | 4,409.59        | 4,876.30     | 466.71                 |
| HSBC HLDG PLC SP                  | HBC   | 365    | 83.951         | 30,642.44       | 32,247.75    | 1,605.31               |
| HUBBELL INC CLASS B               | HUBB  | 477    | 31.386         | 14,971.54       | 22,729.05    | 7,757.51               |
| HUBBELL INC CLASS B               | HUBB  | 116    | 36.040         | 4,180.64        | 5,527.40     | 1,346.76               |
| HUBBELL INC CLASS B               | HUBB  | 242    | 44.500         | 10,769.00       | 11,531.30    | 762.30                 |
| HUBBELL INC CLASS B               | HUBB  | 112    | 45.250         | 5,068.00        | 5,336.80     | 268.80                 |
| ILLINOIS TOOL WORKS INC           | ITW   | 827    | 85.262         | 35,255.92       | 39,282.50    | 4,026.58               |
| ILLINOIS TOOL WORKS INC           | ITW   | 550    | 81.156         | 22,318.12       | 26,125.00    | 3,806.88               |
| ILLINOIS TOOL WORKS INC           | ITW   | 344    | 81.230         | 13,971.56       | 16,340.00    | 2,368.44               |
| ING GROEP NV                      | ING   | 348    | 14.130         | 4,917.24        | 13,683.36    | 8,766.12               |
| ING GROEP NV                      | ING   | 538    | 15.650         | 8,419.70        | 21,154.16    | 12,734.46              |
| ING GROEP NV                      | ING   | 385    | 15.660         | 6,029.10        | 15,138.20    | 9,109.10               |
| ING GROEP NV                      | ING   | 535    | 21.620         | 11,566.70       | 21,036.20    | 9,469.50               |
| INTEL CORP                        | INTC  | 4,849  | 17.890         | 86,748.61       | 92,131.00    | 5,382.39               |
| INTERNATIONAL GAME TECHNOLOGY IGT | IGT   | 1,271  | 26.432         | 33,596.09       | 48,221.74    | 14,625.65              |
| INTERNATIONAL PAPER               | IP    | 45     | 54.838         | 2,467.72        | 1,453.50     | (1,014.22)             |
| INTERNATIONAL PAPER               | IP    | 195    | 53.562         | 10,444.77       | 6,298.50     | (4,146.27)             |
| INTERNATIONAL PAPER               | IP    | 130    | 58.875         | 7,653.75        | 4,199.00     | (3,454.75)             |
| INTERNATIONAL PAPER               | IP    | 526    | 36.864         | 19,390.78       | 16,989.80    | (2,400.98)             |
| INTERNATIONAL PAPER               | IP    | 334    | 43.366         | 14,484.51       | 10,788.20    | (3,696.31)             |
| INTERNATIONAL PAPER               | IP    | 107    | 34.980         | 3,742.86        | 3,456.10     | (286.76)               |
| INTERNATIONAL PAPER               | IP    | 305    | 33.577         | 10,241.11       | 9,851.50     | (389.61)               |
| INTERNATIONAL PAPER               | IP    | 107    | 33.789         | 3,615.42        | 3,456.10     | (159.32)               |
| INTERNATIONAL PAPER               | IP    | 156    | 42.959         | 6,701.70        | 5,038.80     | (1,662.90)             |
| INTERNATIONAL PAPER               | IP    | 51     | 44.229         | 2,255.68        | 1,647.30     | (608.38)               |
| INTERNATIONAL PAPER               | IP    | 83     | 44.071         | 3,657.97        | 2,680.90     | (977.07)               |
| INTERNATIONAL PAPER               | IP    | 234    | 39.090         | 9,147.11        | 7,558.20     | (1,588.91)             |
| INTERNATIONAL PAPER               | IP    | 67     | 37.609         | 2,519.86        | 2,164.10     | (355.76)               |
| INTERNATIONAL PAPER               | IP    | 330    | 32.788         | 10,820.07       | 10,659.00    | (161.07)               |
| INTERNATIONAL PAPER               | IP    | 366    | 35.100         | 12,846.60       | 11,821.80    | (1,024.80)             |
| INTERNATIONAL PAPER               | IP    | 214    | 36.020         | 7,708.28        | 6,912.20     | (796.08)               |
| INTERNATIONAL PAPER               | IP    | 471    | 40.509         | 19,080.09       | 15,213.30    | (3,866.79)             |

**PROPERTY/CASUALTY**  
**INVESTMENT SCHEDULE**  
June 30, 2006

| ASSET DESCRIPTION             | SYM  | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|-------------------------------|------|--------|----------------|-----------------|--------------|------------------------|
| INTERNATIONAL PAPER           | IP   | 57     | 32.360         | 1,844.52        | 1,841.10     | (3.42)                 |
| INTERPUBLIC GROUP             | IPG  | 1,416  | 8.700          | 12,319.20       | 11,823.60    | (495.60)               |
| INTERPUBLIC GROUP             | IPG  | 829    | 9.440          | 7,825.76        | 6,922.15     | (903.61)               |
| INTERPUBLIC GROUP             | IPG  | 800    | 13.880         | 11,104.00       | 6,680.00     | (4,424.00)             |
| INTERPUBLIC GROUP             | IPG  | 1,354  | 9.989          | 13,525.78       | 11,305.90    | (2,219.88)             |
| INTL BUSINESS MACHINES CORP   | IBM  | 1,076  | 80.640         | 86,768.64       | 82,658.32    | (4,110.32)             |
| JOHNSON & JOHNSON             | JNJ  | 1,432  | 60.540         | 86,693.28       | 85,805.44    | (887.84)               |
| JOHNSON & JOHNSON             | JNJ  | 25     | 61.300         | 1,532.50        | 1,498.00     | (34.50)                |
| JOHNSON & JOHNSON             | JNJ  | 629    | 61.280         | 38,545.62       | 37,689.68    | (855.94)               |
| JOHNSON & JOHNSON             | JNJ  | 1,589  | 58.861         | 93,530.45       | 95,212.88    | 1,682.43               |
| JP MORGAN CHASE & CO          | JPM  | 141    | 21.972         | 3,099.79        | 5,925.54     | 2,825.75               |
| JP MORGAN CHASE & CO          | JPM  | 279    | 20.030         | 5,588.09        | 11,718.00    | 6,129.91               |
| JP MORGAN CHASE & CO          | JPM  | 139    | 20.347         | 2,828.09        | 5,838.00     | 3,009.91               |
| JP MORGAN CHASE & CO          | JPM  | 341    | 32.099         | 10,930.05       | 14,302.06    | 3,372.01               |
| JP MORGAN CHASE & CO          | JPM  | 87     | 32.006         | 2,787.96        | 3,658.67     | 870.71                 |
| JP MORGAN CHASE & CO          | JPM  | 470    | 32.086         | 15,075.54       | 19,734.63    | 4,659.09               |
| JP MORGAN CHASE & CO          | JPM  | 319    | 32.192         | 10,281.79       | 13,415.11    | 3,133.32               |
| JP MORGAN CHASE & CO          | JPM  | 1,241  | 38.276         | 47,501.14       | 52,122.00    | 4,620.86               |
| JP MORGAN CHASE & CO          | JPM  | 439    | 39.634         | 17,399.33       | 18,438.00    | 1,038.67               |
| KIMBERLY CLARK CORP           | KMB  | 366    | 62.788         | 22,980.48       | 22,582.20    | (398.28)               |
| KIMBERLY CLARK CORP           | KMB  | 122    | 63.153         | 7,704.76        | 7,527.40     | (177.36)               |
| KIMBERLY CLARK CORP           | KMB  | 85     | 63.155         | 5,368.20        | 5,244.50     | (123.70)               |
| KIMBERLY CLARK CORP           | KMB  | 74     | 60.971         | 4,511.90        | 4,565.80     | 53.90                  |
| KIMBERLY CLARK CORP           | KMB  | 95     | 60.894         | 5,785.01        | 5,861.50     | 76.49                  |
| KIMBERLY CLARK CORP           | KMB  | 115    | 60.635         | 6,973.11        | 7,095.50     | 122.39                 |
| KIMBERLY CLARK CORP           | KMB  | 53     | 60.605         | 3,212.07        | 3,270.10     | 58.03                  |
| KIMBERLY CLARK CORP           | KMB  | 96     | 61.695         | 5,922.79        | 5,923.20     | 0.41                   |
| KONINKLIJKE PHILIPS           | PHG  | 1,941  | 22.400         | 43,479.95       | 60,442.74    | 16,962.79              |
| KOOKMIN BANK                  | KB   | 293    | 34.950         | 10,240.35       | 24,336.58    | 14,096.23              |
| KRAFT FOODS                   | KFT  | 416    | 34.888         | 14,513.45       | 12,854.40    | (1,659.05)             |
| KRAFT FOODS                   | KFT  | 243    | 31.410         | 7,632.63        | 7,508.70     | (123.93)               |
| KRAFT FOODS                   | KFT  | 705    | 31.180         | 21,981.90       | 21,784.50    | (197.40)               |
| KRAFT FOODS                   | KFT  | 49     | 28.950         | 1,418.55        | 1,514.10     | 95.55                  |
| KRAFT FOODS INC.              | KFT  | 817    | 28.361         | 23,171.43       | 25,245.30    | 2,073.87               |
| KRAFT FOODS INC.              | KFT  | 657    | 29.510         | 19,388.33       | 20,301.30    | 912.97                 |
| KRAFT FOODS INC.              | KFT  | 64     | 29.510         | 1,888.67        | 1,977.60     | 88.93                  |
| KRAFT FOODS INC.              | KFT  | 46     | 32.495         | 1,494.78        | 1,421.40     | (73.38)                |
| KRAFT FOODS INC.              | KFT  | 363    | 32.485         | 11,792.38       | 11,216.70    | (575.68)               |
| KRAFT FOODS INC.              | KFT  | 239    | 32.499         | 7,767.45        | 7,385.10     | (382.35)               |
| KRAFT FOODS INC.              | KFT  | 129    | 32.000         | 4,128.00        | 3,986.10     | (141.90)               |
| KRAFT FOODS INC.              | KFT  | 73     | 31.700         | 2,314.10        | 2,255.70     | (58.40)                |
| KRAFT FOODS INC.              | KFT  | 67     | 31.619         | 2,118.48        | 2,070.30     | (48.18)                |
| KRAFT FOODS INC.              | KFT  | 253    | 31.625         | 8,001.30        | 7,817.70     | (183.60)               |
| KRAFT FOODS INC.              | KFT  | 79     | 30.643         | 2,420.85        | 2,441.10     | 20.25                  |
| KRAFT FOODS INC.              | KFT  | 38     | 30.531         | 1,160.18        | 1,174.20     | 14.02                  |
| KRAFT FOODS INC.              | KFT  | 77     | 30.560         | 2,353.16        | 2,379.30     | 26.14                  |
| KRAFT FOODS INC.              | KFT  | 8      | 30.592         | 244.74          | 247.20       | 2.46                   |
| KRAFT FOODS INC.              | KFT  | 290    | 30.260         | 8,775.46        | 6,961.00     | 185.54                 |
| KRAFT FOODS INC.              | KFT  | 44     | 30.234         | 1,330.30        | 1,359.60     | 29.30                  |
| KROGER CO                     | KR   | 1,945  | 17.995         | 35,001.05       | 42,517.70    | 7,516.65               |
| KROGER CO                     | KR   | 349    | 17.576         | 6,134.23        | 7,629.14     | 1,494.91               |
| KROGER CO                     | KR   | 668    | 16.828         | 11,241.17       | 14,602.48    | 3,361.31               |
| KROGER CO                     | KR   | 236    | 15.749         | 3,716.95        | 5,158.96     | 1,442.01               |
| KROGER CO                     | KR   | 247    | 19.394         | 4,790.54        | 5,399.42     | 608.88                 |
| KROGER CO                     | KR   | 62     | 19.379         | 1,201.51        | 1,355.32     | 153.81                 |
| KROGER CO                     | KR   | 195    | 18.921         | 3,689.61        | 4,262.70     | 573.09                 |
| KROGER CO                     | KR   | 110    | 18.967         | 2,086.41        | 2,404.60     | 318.19                 |
| KROGER CO                     | KR   | 61     | 18.982         | 1,157.94        | 1,333.46     | 175.52                 |
| KROGER CO                     | KR   | 104    | 20.033         | 2,083.47        | 2,273.44     | 189.97                 |
| LAM RESEARCH CORP             | LRCX | 1,893  | 45.796         | 86,692.59       | 88,440.96    | 1,748.37               |
| LINEAR TECHNOLOGY CORPORATION | LLTC | 2,191  | 35.825         | 78,493.01       | 73,376.59    | (5,116.42)             |
| LIONS GATE ENTERTAINMENT      | LGF  | 2,652  | 6.023          | 15,975.38       | 22,674.60    | 6,699.22               |
| LIONS GATE ENTERTAINMENT      | LGF  | 708    | 8.526          | 6,036.87        | 6,053.40     | 16.53                  |
| MAVERICK TUBE CORP            | MVK  | 584    | 19.472         | 11,371.74       | 36,902.96    | 25,531.22              |

PROPERTY/CASUALTY  
INVESTMENT SCHEDULE  
June 30, 2006

| ASSET DESCRIPTION                   | SYM  | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|-------------------------------------|------|--------|----------------|-----------------|--------------|------------------------|
| MAXIM INTEGRATED PRODS INC          | MXIM | 1,717  | 39.747         | 68,246.75       | 55,132.87    | (13,113.88)            |
| MAXIM INTEGRATED PRODS INC          | MXIM | 159    | 38.610         | 6,138.99        | 5,105.49     | (1,033.50)             |
| MAXIM INTEGRATED PRODS INC          | MXIM | 498    | 39.475         | 19,658.60       | 15,990.78    | (3,667.82)             |
| MAXIM INTEGRATED PRODS INC          | MXIM | 409    | 31.177         | 12,751.56       | 13,132.99    | 381.43                 |
| MEDIMMUNE INC                       | MEDI | 100    | 23.673         | 2,367.34        | 2,710.00     | 342.66                 |
| MEDIMMUNE INC                       | MEDI | 171    | 23.588         | 4,033.65        | 4,634.10     | 600.45                 |
| MEDIMMUNE INC                       | MEDI | 128    | 23.695         | 3,033.06        | 3,468.80     | 435.74                 |
| MEDIMMUNE INC                       | MEDI | 171    | 23.660         | 4,045.86        | 4,634.10     | 588.24                 |
| MEDIMMUNE INC                       | MEDI | 117    | 23.661         | 2,770.75        | 3,170.70     | 399.95                 |
| MEDIMMUNE INC                       | MEDI | 51     | 23.696         | 1,206.53        | 1,382.10     | 173.57                 |
| MEDIMMUNE INC                       | MEDI | 317    | 23.661         | 7,507.10        | 8,590.70     | 1,083.60               |
| MEDTRONIC INC                       | MDT  | 859    | 51.698         | 44,409.01       | 40,304.28    | (4,104.73)             |
| MEDTRONIC INC                       | MDT  | 810    | 57.430         | 46,518.46       | 38,005.20    | (8,513.26)             |
| MERCK & CO                          | MRK  | 429    | 52.939         | 22,710.96       | 15,628.47    | (7,082.49)             |
| MERCK & CO                          | MRK  | 57     | 50.990         | 2,906.46        | 2,076.51     | (829.95)               |
| MERCK & CO                          | MRK  | 168    | 51.136         | 8,590.65        | 6,120.24     | (2,470.61)             |
| MERCK & CO                          | MRK  | 172    | 51.374         | 8,836.47        | 6,265.96     | (2,570.51)             |
| MERCK & CO                          | MRK  | 253    | 42.000         | 10,626.00       | 9,216.79     | (1,409.21)             |
| MERCK & CO                          | MRK  | 279    | 47.543         | 13,264.72       | 10,163.97    | (3,100.75)             |
| MGIC INV'T CORP WIS                 | MTG  | 1,303  | 66.566         | 66,736.67       | 84,695.00    | (2,041.67)             |
| MICROSOFT                           | MSFT | 120    | 28.162         | 3,379.44        | 2,796.00     | (563.44)               |
| MICROSOFT                           | MSFT | 328    | 26.216         | 8,599.11        | 7,642.40     | (956.71)               |
| MICROSOFT                           | MSFT | 2,240  | 26.509         | 59,381.50       | 52,192.00    | (7,189.50)             |
| MICROSOFT                           | MSFT | 723    | 25.370         | 18,342.51       | 16,845.90    | (1,496.61)             |
| MICROSOFT                           | MSFT | 417    | 25.190         | 10,504.23       | 9,716.10     | (788.13)               |
| MICROSOFT CORP                      | MSFT | 1,115  | 27.716         | 30,903.90       | 25,979.50    | (4,924.40)             |
| MONSANTO CO                         | MON  | 266    | 15.499         | 4,122.95        | 22,394.54    | 18,271.59              |
| MORGAN STANLEY                      | MWD  | 192    | 36.320         | 6,973.44        | 12,136.32    | 5,162.88               |
| MORGAN STANLEY                      | MWD  | 406    | 55.380         | 22,484.28       | 25,663.26    | 3,178.96               |
| MORGAN STANLEY                      | MWD  | 174    | 55.350         | 9,630.90        | 10,998.54    | 1,367.64               |
| MORGAN STANLEY                      | MWD  | 100    | 50.158         | 5,015.81        | 6,321.00     | 1,305.19               |
| MORGAN STANLEY                      | MWD  | 131    | 61.000         | 7,991.00        | 8,280.51     | 289.51                 |
| MOTOROLA INC DE                     | MOT  | 4,086  | 21.243         | 86,802.58       | 82,332.90    | (4,469.68)             |
| MOTOROLA INC DE                     | MOT  | 588    | 12.083         | 7,104.83        | 11,848.20    | 4,743.37               |
| MOTOROLA INC DE                     | MOT  | 504    | 11.230         | 5,659.97        | 10,155.60    | 4,495.63               |
| MOTOROLA INC DE                     | MOT  | 307    | 14.089         | 4,325.37        | 6,186.05     | 1,860.68               |
| MOTOROLA INC DE                     | MOT  | 676    | 14.027         | 9,482.72        | 13,621.40    | 4,138.68               |
| MYLAN LABORATORIES                  | MYL  | 395    | 17.813         | 7,027.36        | 7,890.00     | 862.64                 |
| MYLAN LABORATORIES                  | MYL  | 419    | 18.713         | 7,831.53        | 8,370.00     | 538.47                 |
| MYLAN LABORATORIES                  | MYL  | 379    | 24.980         | 9,467.42        | 7,580.00     | (1,887.42)             |
| MYLAN LABORATORIES                  | MYL  | 154    | 21.840         | 3,363.36        | 3,080.00     | (283.36)               |
| NATIONAL AUSTRALIA BK LTD           | NAB  | 431    | 109.385        | 47,145.02       | 56,159.30    | 9,014.28               |
| NATIONAL BK GREECE S A SPONS AT NBG |      | 7,739  | 7.423          | 57,452.79       | 61,912.00    | 4,459.21               |
| NATIONAL SEMICONDUCTOR CORP         | NSM  | 3,309  | 26.189         | 86,659.73       | 78,919.65    | (7,740.08)             |
| NAVTEQ CORP                         | NVT  | 1,541  | 44.163         | 68,055.34       | 68,851.88    | 796.54                 |
| NAVTEQ CORP                         | NVT  | 333    | 40.254         | 13,404.65       | 14,878.44    | 1,473.79               |
| NEWMONT MINING CORP                 | NEM  | 202    | 23.525         | 4,752.23        | 10,691.86    | 5,939.63               |
| NEWMONT MINING CORP                 | NEM  | 201    | 32.268         | 6,485.87        | 10,638.93    | 4,153.06               |
| NEWMONT MINING CORP                 | NEM  | 138    | 31.531         | 4,351.37        | 7,304.34     | 2,952.97               |
| NEWMONT MINING CORP                 | NEM  | 227    | 32.558         | 7,390.71        | 12,015.11    | 4,624.40               |
| NEWMONT MINING CORP                 | NEM  | 161    | 41.560         | 6,691.22        | 8,521.73     | 1,830.51               |
| NEWMONT MINING CORP                 | NEM  | 145    | 42.350         | 6,140.75        | 7,674.85     | 1,534.10               |
| NEWMONT MINING CORP                 | NEM  | 188    | 42.277         | 7,948.19        | 9,950.84     | 2,002.65               |
| NEWMONT MINING CORP                 | NEM  | 188    | 42.886         | 8,062.62        | 9,950.84     | 1,888.22               |
| NEWS CORP CLASS B                   | NWS  | 2,808  | 17.357         | 48,738.54       | 56,665.44    | 7,926.90               |
| NEWS CORP CLASS B                   | NWS  | 13     | 16.550         | 215.15          | 262.34       | 47.19                  |
| NIKE INC CL B                       | NKE  | 1,068  | 81.130         | 86,646.84       | 86,508.00    | (138.84)               |
| NOMURA HOLDINGS INC ADR             | NMR  | 2,903  | 13.555         | 39,351.33       | 54,576.40    | 15,225.07              |
| NORDSTROM INC                       | JWN  | 2,318  | 37.409         | 86,714.06       | 84,607.00    | (2,107.06)             |
| NOVARTIS                            | NVS  | 709    | 38.286         | 27,145.20       | 38,229.28    | 11,084.08              |
| NOVARTIS                            | NVS  | 35     | 42.349         | 1,482.24        | 1,887.20     | 404.96                 |
| NOVARTIS                            | NVS  | 19     | 42.083         | 799.58          | 1,024.48     | 224.90                 |
| NOVARTIS                            | NVS  | 144    | 42.193         | 6,075.92        | 7,764.48     | 1,688.56               |
| NOVARTIS                            | NVS  | 213    | 44.321         | 9,440.42        | 11,484.96    | 2,044.54               |

PROPERTY/CASUALTY  
INVESTMENT SCHEDULE  
June 30, 2006

| ASSET DESCRIPTION         | SYM  | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|---------------------------|------|--------|----------------|-----------------|--------------|------------------------|
| NOVARTIS                  | NVS  | 85     | 49.032         | 4,167.75        | 4,583.20     | 415.45                 |
| NOVARTIS                  | NVS  | 18     | 49.420         | 889.57          | 970.56       | 80.99                  |
| NOVARTIS                  | NVS  | 207    | 48.997         | 10,142.48       | 11,161.44    | 1,018.96               |
| NOVARTIS                  | NVS  | 104    | 46.798         | 4,866.99        | 5,607.68     | 740.69                 |
| NOVARTIS                  | NVS  | 40     | 46.812         | 1,872.49        | 2,156.80     | 284.31                 |
| NOVARTIS                  | NVS  | 131    | 46.934         | 6,148.46        | 7,063.52     | 915.06                 |
| NOVARTIS                  | NVS  | 133    | 51.895         | 6,902.10        | 7,171.36     | 269.26                 |
| NUANCE COMMUNICATIONS INC | NUAN | 3,019  | 10.342         | 31,223.71       | 30,371.14    | (852.57)               |
| NUCOR CORP                | NUE  | 1,600  | 53.797         | 86,075.84       | 86,800.00    | 724.16                 |
| NVIDIA CORP               | NVDA | 3,662  | 23.680         | 86,716.16       | 77,963.98    | (8,752.18)             |
| NVIDIA CORP               | NVDA | 75     | 22.192         | 1,664.42        | 1,596.75     | (67.67)                |
| OCCIDENTAL PETROLEUM CORP | OXY  | 872    | 99.470         | 86,737.84       | 89,423.60    | 2,685.76               |
| OFFICEMAX INC             | OMX  | 244    | 24.340         | 5,938.96        | 9,943.00     | 4,004.04               |
| OFFICEMAX INC             | OMX  | 307    | 24.910         | 7,647.37        | 12,510.25    | 4,862.88               |
| OFFICEMAX INC             | OMX  | 244    | 30.150         | 7,356.60        | 9,943.00     | 2,586.40               |
| OFFICEMAX INC             | OMX  | 794    | 27.886         | 22,141.56       | 32,355.50    | 10,213.94              |
| OFFICEMAX INC             | OMX  | 56     | 28.000         | 1,568.00        | 2,282.00     | 714.00                 |
| ORACLE CORP               | ORCL | 6,097  | 14.010         | 85,418.97       | 88,345.53    | 2,926.56               |
| P G & E CORPORATION       | PCG  | 500    | 38.029         | 19,014.90       | 19,640.00    | 625.10                 |
| P G & E CORPORATION       | PCG  | 76     | 38.025         | 2,889.94        | 2,985.28     | 95.34                  |
| P G & E CORPORATION       | PCG  | 235    | 39.247         | 9,223.21        | 9,230.80     | 7.59                   |
| P G & E CORPORATION       | PCG  | 35     | 39.294         | 1,375.29        | 1,374.80     | (0.49)                 |
| P G & E CORPORATION       | PCG  | 290    | 39.244         | 11,380.96       | 11,391.20    | 10.24                  |
| P G & E CORPORATION       | PCG  | 355    | 39.198         | 13,915.43       | 13,944.40    | 28.97                  |
| P G & E CORPORATION       | PCG  | 262    | 39.086         | 10,240.69       | 10,291.36    | 50.67                  |
| PARKER-HANNIFIN CORP      | PH   | 216    | 45.603         | 9,850.42        | 16,761.60    | 6,911.18               |
| PARKER-HANNIFIN CORP      | PH   | 74     | 74.654         | 5,524.43        | 5,742.40     | 217.97                 |
| PARKER-HANNIFIN CORP      | PH   | 104    | 71.057         | 7,390.01        | 8,070.40     | 680.39                 |
| PARKER-HANNIFIN CORP      | PH   | 212    | 61.014         | 12,935.05       | 16,451.20    | 3,516.15               |
| PARKER-HANNIFIN CORP      | PH   | 275    | 61.995         | 17,048.85       | 21,340.00    | 4,291.15               |
| PARKER-HANNIFIN CORP      | PH   | 59     | 61.613         | 3,635.18        | 4,578.40     | 943.22                 |
| PATTERSON UTI ENERGY INC  | PTEN | 2,872  | 30.213         | 86,772.84       | 81,306.32    | (5,466.52)             |
| PATTERSON UTI ENERGY INC  | PTEN | 152    | 28.190         | 4,284.90        | 4,303.12     | 18.22                  |
| PEPCO                     | POM  | 316    | 17.160         | 5,422.56        | 7,451.28     | 2,028.72               |
| PEPCO                     | POM  | 452    | 17.960         | 8,117.92        | 10,658.16    | 2,540.24               |
| PEPCO                     | POM  | 1,109  | 18.320         | 20,316.88       | 26,150.22    | 5,833.34               |
| PEPSICO                   | PEP  | 444    | 43.863         | 19,475.39       | 26,657.76    | 7,182.37               |
| PEPSICO                   | PEP  | 319    | 44.086         | 14,063.47       | 19,152.76    | 5,089.29               |
| PEPSICO                   | PEP  | 251    | 44.306         | 11,121.03       | 15,070.04    | 3,949.01               |
| PEPSICO                   | PEP  | 134    | 47.508         | 6,366.18        | 8,045.36     | 1,679.18               |
| PEPSICO                   | PEP  | 115    | 46.492         | 5,346.61        | 6,904.60     | 1,557.99               |
| PEPSICO INC               | PEP  | 1,207  | 55.840         | 67,398.88       | 72,468.28    | 5,069.40               |
| PEPSICO INC               | PEP  | 216    | 54.570         | 11,787.12       | 12,968.64    | 1,181.52               |
| PEPSICO INC               | PEP  | 507    | 60.035         | 30,437.80       | 30,440.28    | 2.48                   |
| PEPSICO INC               | PEP  | 3      | 57.740         | 173.22          | 180.12       | 6.90                   |
| PETSMART INC              | PETM | 1,273  | 24.499         | 31,188.24       | 32,588.80    | 1,400.56               |
| PETSMART INC              | PETM | 622    | 23.402         | 14,556.48       | 15,923.20    | 1,366.72               |
| PFIZER                    | PFE  | 721    | 34.185         | 24,647.49       | 16,921.87    | (7,725.62)             |
| PFIZER                    | PFE  | 509    | 34.180         | 17,397.62       | 11,946.23    | (5,451.39)             |
| PFIZER                    | PFE  | 568    | 24.750         | 14,058.00       | 13,330.96    | (727.04)               |
| PFIZER INC                | PFE  | 885    | 30.919         | 27,363.49       | 20,770.95    | (6,592.54)             |
| PFIZER INC                | PFE  | 125    | 30.942         | 3,867.85        | 2,933.75     | (934.10)               |
| PFIZER INC                | PFE  | 1,351  | 24.666         | 33,324.58       | 31,707.97    | (1,616.61)             |
| PFIZER INC                | PFE  | 528    | 27.671         | 14,610.66       | 12,392.16    | (2,218.50)             |
| PFIZER INC                | PFE  | 1,051  | 27.231         | 28,619.89       | 24,666.97    | (3,952.92)             |
| PFIZER INC                | PFE  | 112    | 27.249         | 3,051.92        | 2,628.64     | (423.28)               |
| PFIZER INC                | PFE  | 379    | 23.688         | 8,978.09        | 8,895.13     | (82.96)                |
| PRAXAIR INC               | PX   | 132    | 23.620         | 3,117.96        | 7,128.00     | 4,010.04               |
| PRAXAIR INC               | PX   | 724    | 26.888         | 19,467.56       | 39,096.00    | 19,628.44              |
| PROCTER & GAMBLE CO       | PG   | 278    | 30.943         | 8,597.75        | 15,449.31    | 6,851.56               |
| PROCTER & GAMBLE CO       | PG   | 589    | 32.432         | 19,098.29       | 32,741.69    | 13,643.40              |
| PROCTER & GAMBLE CO       | PG   | 177    | 53.303         | 9,457.97        | 9,865.88     | 407.91                 |
| PROCTER & GAMBLE CO       | PG   | 81     | 53.316         | 4,314.31        | 4,499.27     | 184.96                 |
| PROCTER & GAMBLE CO       | PG   | 368    | 53.281         | 19,583.44       | 20,436.45    | 853.01                 |

PROPERTY/CASUALTY  
INVESTMENT SCHEDULE  
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| ASSET DESCRIPTION          | SYM   | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|----------------------------|-------|--------|----------------|-----------------|--------------|------------------------|
| PROCTER & GAMBLE CO        | PG    | 42     | 53.324         | 2,235.48        | 2,330.95     | 95.47                  |
| PROCTER & GAMBLE CO        | PG    | 607    | 53.091         | 32,247.09       | 33,771.65    | 1,524.56               |
| PROCTER & GAMBLE CO        | PG    | 70     | 54.982         | 3,848.80        | 3,892.00     | 43.20                  |
| PROCTER & GAMBLE CO        | PG    | 65     | 54.985         | 3,574.08        | 3,614.00     | 39.92                  |
| PROCTER & GAMBLE CO        | PG    | 122    | 55.999         | 6,831.96        | 6,783.20     | (48.76)                |
| PROCTER & GAMBLE CO        | PG    | 142    | 58.177         | 8,261.19        | 7,895.20     | (365.99)               |
| PROCTER & GAMBLE CO        | PG    | 88     | 57.714         | 5,078.85        | 4,892.80     | (186.05)               |
| PROCTER & GAMBLE CO        | PG    | 123    | 55.551         | 6,832.88        | 6,838.80     | 5.92                   |
| PROCTER & GAMBLE CO        | PG    | 260    | 53.776         | 13,981.97       | 14,456.00    | 474.03                 |
| PROCTER & GAMBLE CO        | PG    | 99     | 56.695         | 5,612.82        | 5,504.40     | (108.42)               |
| PROGRESS ENERGY INC        | PGN   | 707    | 44.100         | 31,179.26       | 30,309.09    | (870.17)               |
| PROGRESSIVE CORP           | PGR   | 3,152  | 27.513         | 86,723.50       | 81,037.92    | (5,685.58)             |
| QUALCOMM INC               | QCOM  | 496    | 47.862         | 23,739.60       | 19,874.72    | (3,864.88)             |
| QUALCOMM INC               | QCOM  | 935    | 47.744         | 44,641.11       | 37,465.45    | (7,175.66)             |
| QUALCOMM INC               | QCOM  | 448    | 48.317         | 21,846.33       | 17,951.36    | (3,894.97)             |
| QUALCOMM INC               | QCOM  | 396    | 36.630         | 14,505.48       | 15,867.72    | 1,382.24               |
| QUALCOMM INC               | QCOM  | 553    | 33.600         | 18,580.80       | 22,158.71    | 3,577.91               |
| RAYTHEON                   | RTN   | 207    | 27.890         | 5,773.23        | 9,225.99     | 3,452.76               |
| RAYTHEON                   | RTN   | 266    | 28.680         | 7,628.88        | 11,855.62    | 4,226.74               |
| RAYTHEON                   | RTN   | 785    | 28.550         | 22,411.75       | 34,987.45    | 12,575.70              |
| RAYTHEON COMPANY           | RTN   | 231    | 39.319         | 9,082.78        | 10,295.67    | 1,212.89               |
| RAYTHEON COMPANY           | RTN   | 231    | 39.350         | 9,090.06        | 10,295.67    | 1,205.61               |
| RAYTHEON COMPANY           | RTN   | 96     | 39.296         | 3,772.45        | 4,278.72     | 506.27                 |
| RAYTHEON COMPANY           | RTN   | 23     | 39.394         | 906.07          | 1,025.11     | 119.04                 |
| RAYTHEON COMPANY           | RTN   | 21     | 39.394         | 827.28          | 935.97       | 108.69                 |
| RAYTHEON COMPANY           | RTN   | 62     | 39.374         | 2,441.19        | 2,763.34     | 322.15                 |
| RAYTHEON COMPANY           | RTN   | 117    | 39.353         | 4,604.35        | 5,214.69     | 610.34                 |
| RAYTHEON COMPANY           | RTN   | 234    | 39.347         | 9,207.41        | 10,429.38    | 1,221.97               |
| RAYTHEON COMPANY           | RTN   | 32     | 39.352         | 1,259.28        | 1,426.24     | 166.96                 |
| RAYTHEON COMPANY           | RTN   | 40     | 43.006         | 1,720.26        | 1,782.80     | 62.54                  |
| RAYTHEON COMPANY           | RTN   | 85     | 43.178         | 3,670.19        | 3,788.45     | 118.26                 |
| RAYTHEON COMPANY           | RTN   | 95     | 43.021         | 4,087.03        | 4,234.15     | 147.12                 |
| RC2 CORP                   | RCRC  | 820    | 35.928         | 29,461.62       | 31,701.20    | 2,239.58               |
| REPSOL S A SPONSORED ADR   | REP   | 1,437  | 26.670         | 38,324.79       | 40,322.22    | 1,997.43               |
| ROCHE HLDG LTD             | RHHBY | 54     | 46.750         | 2,524.50        | 4,454.46     | 1,929.96               |
| ROCHE HLDG LTD             | RHHBY | 115    | 62.150         | 7,147.25        | 9,486.35     | 2,339.10               |
| ROCHE HLDG LTD             | RHHBY | 178    | 70.950         | 12,629.10       | 14,683.22    | 2,054.12               |
| ROCHE HLDG LTD             | RHHBY | 242    | 74.836         | 18,110.31       | 19,962.58    | 1,852.27               |
| ROCKWELL AUTOMATION INC    | ROK   | 1,271  | 68.216         | 86,702.92       | 91,524.71    | 4,821.79               |
| SANOFI-AVENTIS             | SNY   | 492    | 45.412         | 22,343.00       | 23,960.40    | 1,617.40               |
| SAP AKLENGESELLSCHAFT      | SAP   | 229    | 23.210         | 5,315.09        | 12,027.08    | 6,711.99               |
| SAP AKLENGESELLSCHAFT      | SAP   | 162    | 23.310         | 3,776.22        | 8,508.24     | 4,732.02               |
| SAP AKLENGESELLSCHAFT      | SAP   | 101    | 39.980         | 4,037.98        | 5,304.52     | 1,266.54               |
| SAP AKLENGESELLSCHAFT      | SAP   | 253    | 42.700         | 10,803.10       | 13,287.56    | 2,484.46               |
| SCHERING PLOUGH CORP       | SGP   | 96     | 35.728         | 3,429.96        | 1,826.88     | (1,603.08)             |
| SCHERING PLOUGH CORP       | SGP   | 650    | 34.235         | 22,253.27       | 12,369.50    | (9,883.77)             |
| SCHERING PLOUGH CORP       | SGP   | 220    | 31.458         | 6,920.96        | 4,186.60     | (2,734.36)             |
| SCHERING PLOUGH CORP       | SGP   | 391    | 30.418         | 11,893.44       | 7,440.73     | (4,452.71)             |
| SCHERING PLOUGH CORP       | SGP   | 699    | 23.222         | 16,232.74       | 13,301.97    | (2,930.77)             |
| SCHLUMBERGER LTD           | SLB   | 546    | 27.674         | 15,110.11       | 35,550.06    | 20,439.95              |
| SCHLUMBERGER LTD           | SLB   | 686    | 24.434         | 16,762.10       | 44,665.46    | 27,903.36              |
| SCHLUMBERGER LTD           | SLB   | 126    | 33.445         | 4,214.11        | 8,203.86     | 3,989.75               |
| SCHLUMBERGER LTD           | SLB   | 360    | 33.519         | 12,067.09       | 23,439.60    | 11,372.51              |
| SCHLUMBERGER LTD           | SLB   | 63     | 60.662         | 3,821.72        | 4,101.93     | 280.21                 |
| SCIENTIFIC GAMES CORP CL A | SGMS  | 618    | 16.437         | 10,158.50       | 22,013.16    | 11,854.66              |
| SCIENTIFIC GAMES CORP CL A | SGMS  | 170    | 23.794         | 4,045.05        | 6,055.40     | 2,010.35               |
| SONY CORP SPON ADR         | SNE   | 909    | 48.901         | 44,451.17       | 40,032.36    | (4,418.81)             |
| SONY CORP SPON ADR         | SNE   | 44     | 49.520         | 2,178.88        | 1,937.76     | (241.12)               |
| SOUTHERN CO                | SO    | 80     | 33.976         | 2,718.14        | 2,564.00     | (154.14)               |
| SOUTHERN CO                | SO    | 10     | 34.100         | 341.00          | 320.50       | (20.50)                |
| SOUTHERN CO                | SO    | 160    | 34.097         | 5,455.57        | 5,128.00     | (327.57)               |
| SOUTHERN CO                | SO    | 445    | 33.996         | 15,128.31       | 14,262.25    | (866.06)               |
| SOUTHERN CO                | SO    | 450    | 33.965         | 15,284.25       | 14,422.50    | (861.75)               |
| SOUTHERN CO                | SO    | 159    | 33.964         | 5,400.40        | 5,095.95     | (304.45)               |

PROPERTY/CASUALTY  
INVESTMENT SCHEDULE  
June 30, 2006

| ASSET DESCRIPTION                     | SYM   | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|---------------------------------------|-------|--------|----------------|-----------------|--------------|------------------------|
| SPRINT NEXTEL CORP                    | S     | 1,262  | 22.562         | 27,133.70       | 25,227.38    | (1,906.32)             |
| STEINER LEISURE LTD                   | STNR  | 778    | 43.120         | 31,456.33       | 30,754.34    | (701.99)               |
| SUN HUNG KAI                          | SUHJY | 1,272  | 5.850          | 7,441.20        | 12,970.58    | 5,529.38               |
| SUN HUNG KAI                          | SUHJY | 1,068  | 5.900          | 6,301.20        | 10,890.40    | 4,589.20               |
| SUN HUNG KAI                          | SUHJY | 1,237  | 8.554          | 10,581.30       | 12,613.69    | 2,032.39               |
| SUN HUNG KAI                          | SUHJY | 936    | 9.385          | 8,785.02        | 9,544.39     | 759.37                 |
| SUN MICROSYSTEMS INC                  | SUNW  | 975    | 4.400          | 4,290.00        | 4,046.25     | (243.75)               |
| SUN MICROSYSTEMS INC                  | SUNW  | 5,690  | 4.397          | 25,019.50       | 23,613.50    | (1,406.00)             |
| SUN MICROSYSTEMS INC                  | SUNW  | 571    | 4.294          | 2,452.10        | 2,369.65     | (82.45)                |
| SUN MICROSYSTEMS INC                  | SUNW  | 481    | 4.259          | 2,048.82        | 1,996.15     | (52.67)                |
| SWISS REINSURANCE                     | SWCE\ | 114    | 63.250         | 7,210.50        | 7,952.07     | 741.57                 |
| SWISS REINSURANCE                     | SWCE\ | 279    | 65.500         | 18,274.50       | 19,461.65    | 1,187.15               |
| SYNGENTA AG ADR                       | SYT   | 1,262  | 21.512         | 26,624.61       | 33,518.72    | 6,894.11               |
| SYNGENTA AG ADR                       | SYT   | 518    | 27.540         | 14,265.72       | 13,758.08    | (507.64)               |
| SYSKO CORP                            | SYY   | 2,525  | 30.811         | 77,798.28       | 77,164.00    | (634.28)               |
| SYSKO CORP                            | SYY   | 526    | 30.315         | 15,945.93       | 16,074.56    | 128.63                 |
| T ROWE PRICE GROUP INC                | TROW  | 2,202  | 39.368         | 86,689.16       | 83,257.62    | (3,431.54)             |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 587    | 8.362          | 4,761.34        | 5,387.08     | 625.74                 |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 359    | 9.490          | 3,303.38        | 3,293.36     | (10.02)                |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 619    | 8.270          | 4,966.23        | 5,681.34     | 715.11                 |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 1,455  | 8.172          | 11,545.51       | 13,359.34    | 1,813.83               |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 1,714  | 8.742          | 14,543.53       | 15,731.47    | 1,187.94               |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 2,559  | 10.004         | 24,859.96       | 23,494.28    | (1,365.68)             |
| TAIWAN SEMICONDUCTOR MFG              | TSM   | 1,285  | 10.137         | 12,651.35       | 11,799.15    | (852.20)               |
| TARGET CORP                           | TGT   | 420    | 32.346         | 13,585.34       | 20,525.40    | 6,940.06               |
| TARGET CORP                           | TGT   | 280    | 27.830         | 7,792.40        | 13,683.60    | 5,891.20               |
| TARGET CORP                           | TGT   | 332    | 39.760         | 13,200.32       | 16,224.84    | 3,024.52               |
| TELEFONOS DE MEXICO                   | TMX   | 205    | 14.320         | 2,935.60        | 4,270.15     | 1,334.55               |
| TELEFONOS DE MEXICO                   | TMX   | 380    | 14.790         | 5,620.20        | 7,915.40     | 2,295.20               |
| TELEFONOS DE MEXICO                   | TMX   | 162    | 15.385         | 2,492.37        | 3,374.46     | 882.09                 |
| TELEFONOS DE MEXICO                   | TMX   | 696    | 16.155         | 11,243.88       | 14,497.68    | 3,253.80               |
| TELENOR ASA ADR                       | TELN  | 1,457  | 30.356         | 44,228.98       | 53,165.93    | 8,936.95               |
| TELENOR ASA ADR                       | TELN  | 65     | 30.942         | 2,011.23        | 2,371.85     | 360.62                 |
| TENET HEALTHCARE CORP                 | THC   | 3,003  | 10.710         | 32,162.13       | 20,960.94    | (11,201.19)            |
| TENET HEALTHCARE CORP                 | THC   | 1,216  | 10.481         | 12,745.02       | 8,487.68     | (4,257.34)             |
| TENET HEALTHCARE CORP                 | THC   | 1,546  | 6.942          | 10,733.57       | 10,791.08    | 57.51                  |
| TESCO PLC SPONSORED ADR               | TSCDY | 2,412  | 13.571         | 32,733.98       | 44,701.60    | 11,967.62              |
| TESCO PLC SPONSORED ADR               | TSCDY | 585    | 14.649         | 8,569.78        | 10,841.81    | 2,272.03               |
| TESCO PLC SPONSORED ADR               | TSCDY | 507    | 16.155         | 8,190.59        | 9,396.23     | 1,205.64               |
| TESCO PLC SPONSORED ADR               | TSCDY | 205    | 17.269         | 3,540.15        | 3,799.27     | 259.12                 |
| TEVA PHARMACEUTICAL IND'S LTD         | TEVA  | 1,380  | 31.603         | 43,612.55       | 43,594.20    | (18.35)                |
| TEVA PHARMACEUTICAL IND'S LTD         | TEVA  | 72     | 31.468         | 2,265.74        | 2,274.48     | 8.74                   |
| TEVA PHARMACEUTICAL IND'S LTD AT TEVA | 443   | 25.646 | 11,361.44      | 13,994.37       | 2,632.93     |                        |
| TEVA PHARMACEUTICAL IND'S LTD AT TEVA | 690   | 29.892 | 20,625.76      | 21,797.10       | 1,171.34     |                        |
| TEXAS INSTRUMENTS INC                 | TXN   | 2,746  | 31.590         | 86,746.14       | 83,176.34    | (3,569.80)             |
| TORCHMARK CORP                        | TMK   | 537    | 55.982         | 30,062.60       | 32,606.64    | 2,544.04               |
| TORCHMARK CORP                        | TMK   | 237    | 55.492         | 13,151.60       | 14,390.64    | 1,239.04               |
| TRADESTATION GROUP INC                | TRAD  | 428    | 8.793          | 3,763.82        | 5,422.76     | 1,658.94               |
| TRADESTATION GROUP INC                | TRAD  | 1,015  | 8.599          | 8,728.59        | 12,860.05    | 4,131.46               |
| TRIBUNE                               | TRB   | 368    | 40.693         | 14,975.09       | 11,934.24    | (3,040.85)             |
| TRIBUNE                               | TRB   | 146    | 41.308         | 6,031.07        | 4,734.78     | (1,296.29)             |
| TRIBUNE                               | TRB   | 228    | 42.622         | 9,717.91        | 7,394.04     | (2,323.87)             |
| TRIBUNE                               | TRB   | 406    | 42.734         | 17,350.13       | 13,166.58    | (4,183.55)             |
| TRIBUNE                               | TRB   | 150    | 51.473         | 7,721.04        | 4,864.50     | (2,856.54)             |
| TRIBUNE                               | TRB   | 121    | 51.282         | 6,205.12        | 3,924.03     | (2,281.09)             |
| TRIDENT MICROSYSTEMS INC              | TRID  | 702    | 21.380         | 15,008.76       | 13,323.96    | (1,684.80)             |
| TRIDENT MICROSYSTEMS INC              | TRID  | 34     | 23.999         | 816.00          | 645.32       | (170.68)               |
| TYCO INT'L LMTD                       | TYC   | 1,151  | 18.336         | 21,105.55       | 31,652.50    | 10,546.95              |
| TYCO INT'L LMTD                       | TYC   | 357    | 24.370         | 8,700.09        | 9,817.50     | 1,117.41               |
| TYCO INT'L LMTD                       | TYC   | 350    | 28.544         | 9,990.47        | 9,625.00     | (365.47)               |
| TYCO INT'L LMTD                       | TYC   | 356    | 26.410         | 9,401.96        | 9,790.00     | 388.04                 |
| UBS AG-CHF                            | UBS   | 125    | 42.890         | 5,361.25        | 13,712.50    | 8,351.25               |
| UBS AG-CHF                            | UBS   | 153    | 44.690         | 6,837.57        | 16,784.10    | 9,946.53               |
| UBS AG-CHF                            | UBS   | 103    | 65.650         | 6,761.95        | 11,299.10    | 4,537.15               |

**PROPERTY/CASUALTY**  
**INVESTMENT SCHEDULE**  
June 30, 2006

| ASSET DESCRIPTION           | SYM  | SHARES | PURCHASE PRICE | PURCHASE AMOUNT | MARKET VALUE | UNREALIZED GAIN/(LOSS) |
|-----------------------------|------|--------|----------------|-----------------|--------------|------------------------|
| UBS AG-CHF                  | UBS  | 94     | 84.930         | 7,983.42        | 10,311.80    | 2,328.38               |
| UBS AG-CHF                  | UBS  | 524    | 95.184         | 49,876.42       | 57,482.80    | 7,606.38               |
| UBS AG-CHF                  | UBS  | 77     | 96.950         | 7,465.15        | 8,446.90     | 981.75                 |
| UNION PACIFIC               | UNP  | 61     | 38.198         | 2,330.11        | 5,670.56     | 3,340.45               |
| UNION PACIFIC               | UNP  | 97     | 59.855         | 5,805.96        | 9,017.12     | 3,211.16               |
| UNION PACIFIC               | UNP  | 104    | 59.639         | 6,202.50        | 9,667.84     | 3,465.34               |
| UNION PACIFIC               | UNP  | 95     | 58.600         | 5,567.00        | 8,831.20     | 3,264.20               |
| UNION PACIFIC               | UNP  | 123    | 58.532         | 7,199.44        | 11,434.08    | 4,234.64               |
| UNITED NATURAL FOODS        | UNFI | 292    | 11.245         | 3,283.54        | 9,641.84     | 6,358.30               |
| UNITED NATURAL FOODS        | UNFI | 424    | 12.025         | 5,098.60        | 14,000.48    | 8,901.88               |
| UNITED NATURAL FOODS        | UNFI | 326    | 17.745         | 5,784.87        | 10,764.52    | 4,979.65               |
| UNITED PARCEL SERVICE CL B  | UPS  | 607    | 75.873         | 46,055.35       | 49,974.31    | 3,918.96               |
| UNITED PARCEL SERVICES CL B | UPS  | 60     | 86.663         | 5,211.82        | 4,939.80     | (272.02)               |
| UNITED PARCEL SERVICES CL B | UPS  | 112    | 77.849         | 8,719.16        | 9,220.96     | 501.80                 |
| UNITED PARCEL SERVICES CL B | UPS  | 780    | 72.990         | 56,932.20       | 64,217.40    | 7,285.20               |
| UNITED PARCEL SERVICES CL B | UPS  | 118    | 70.140         | 8,276.52        | 9,714.94     | 1,438.42               |
| UNITED SURGICAL PARTNERS    | USPI | 460    | 15.250         | 4,671.58        | 13,817.17    | 9,145.59               |
| UNITED SURGICAL PARTNERS    | USPI | 383    | 15.780         | 4,023.90        | 11,501.78    | 7,477.88               |
| UNITED SURGICAL PARTNERS    | USPI | 33     | 30.990         | 661.78          | 992.31       | 310.53                 |
| UNITED TECHNOLOGIES CORP    | UTX  | 1,379  | 62.885         | 86,718.55       | 87,456.18    | 737.63                 |
| UNITEDHEALTH GROUP INC      | UNH  | 1,937  | 44.800         | 86,777.60       | 86,738.86    | (38.74)                |
| UNITEDHEALTH GROUP INC      | UNH  | 706    | 55.480         | 39,158.22       | 31,614.66    | (7,543.54)             |
| UNITEDHEALTH GROUP INC      | UNH  | 20     | 59.400         | 1,188.00        | 895.60       | (292.40)               |
| UNITEDHEALTH GROUP INC      | UNH  | 665    | 44.096         | 29,325.57       | 29,778.70    | 453.13                 |
| VAIL RESORTS INC            | MTN  | 508    | 22.455         | 11,407.29       | 16,846.80    | 7,439.51               |
| VAIL RESORTS INC            | MTN  | 282    | 33.500         | 9,447.00        | 10,462.20    | 1,015.20               |
| VAIL RESORTS INC            | MTN  | 1      | 30.690         | 30.69           | 37.10        | 6.41                   |
| VERIZON COMM                | VZ   | 93     | 47.594         | 4,426.24        | 3,114.57     | (1,311.67)             |
| VERIZON COMM                | VZ   | 401    | 29.362         | 11,774.16       | 13,429.49    | 1,655.33               |
| VERIZON COMM                | VZ   | 143    | 29.959         | 4,284.18        | 4,789.07     | 504.89                 |
| VERIZON COMM                | VZ   | 42     | 39.998         | 1,679.92        | 1,406.58     | (273.34)               |
| VERIZON COMM                | VZ   | 156    | 39.550         | 6,169.80        | 5,224.44     | (945.36)               |
| VERIZON COMM                | VZ   | 182    | 37.182         | 6,767.20        | 6,095.18     | (672.02)               |
| VERIZON COMM                | VZ   | 94     | 35.132         | 3,302.42        | 3,148.06     | (154.36)               |
| VERIZON COMM                | VZ   | 303    | 35.224         | 10,673.11       | 10,147.47    | (525.64)               |
| VERIZON COMM                | VZ   | 288    | 32.176         | 9,267.47        | 9,645.12     | 377.65                 |
| VERIZON COMM                | VZ   | 506    | 33.950         | 17,179.00       | 16,945.94    | (233.06)               |
| VODAFONE GROUP PLC SP ADR   | VOD  | 618    | 23.234         | 14,358.68       | 13,163.40    | (1,195.28)             |
| VODAFONE GROUP PLC SP ADR   | VOD  | 332    | 22.550         | 7,486.60        | 7,071.60     | (415.00)               |
| VODAFONE GROUP PLC SP ADR   | VOD  | 385    | 27.156         | 10,455.33       | 8,200.50     | (2,254.83)             |
| VODAFONE GROUP PLC SP ADR   | VOD  | 272    | 26.000         | 7,072.00        | 5,793.60     | (1,278.40)             |
| VULCAN MATERIALS CO         | VMC  | 1,088  | 79.670         | 86,680.96       | 84,864.00    | (1,816.96)             |
| WAL-MART STORES INC         | WMT  | 1,747  | 48.656         | 85,002.03       | 84,152.99    | (849.04)               |
| WAL-MART STORES INC         | WMT  | 1,098  | 44.670         | 49,047.99       | 52,890.66    | 3,842.67               |
| WAL-MART STORES INC         | WMT  | 57     | 44.594         | 2,541.91        | 2,745.69     | 203.78                 |
| WAL-MART STORES INC         | WMT  | 240    | 44.044         | 10,570.68       | 11,560.80    | 990.12                 |
| WAL-MART STORES INC         | WMT  | 748    | 49.184         | 36,789.63       | 36,031.16    | (758.47)               |
| WAL-MART STORES INC         | WMT  | 1,270  | 48.696         | 61,844.10       | 61,175.90    | (668.20)               |
| WASTE MGT                   | WMI  | 221    | 18.250         | 4,033.25        | 7,929.48     | 3,896.23               |
| WASTE MGT                   | WMI  | 942    | 19.249         | 18,133.41       | 33,798.96    | 15,665.55              |
| WASTE MGT                   | WMI  | 278    | 28.176         | 7,833.07        | 9,974.64     | 2,141.57               |
| WASTE MGT                   | WMI  | 344    | 28.096         | 9,665.26        | 12,342.72    | 2,677.46               |
| WASTE MGT                   | WMI  | 63     | 36.530         | 2,301.40        | 2,260.44     | (40.96)                |
| WELLPOINT INC               | WLP  | 1,203  | 72.146         | 86,792.48       | 87,542.31    | 749.83                 |
| WEYERHAEUSER CO             | WY   | 216    | 49.460         | 10,683.36       | 13,446.00    | 2,762.64               |
| WEYERHAEUSER CO             | WY   | 153    | 50.330         | 7,700.49        | 9,524.25     | 1,823.76               |
| WEYERHAEUSER CO             | WY   | 294    | 59.493         | 17,491.04       | 18,301.50    | 810.46                 |
| WYETH                       | WYE  | 1,896  | 45.770         | 86,779.92       | 84,201.36    | (2,578.56)             |
| WYETH                       | WYE  | 236    | 41.866         | 9,880.56        | 10,480.76    | 600.20                 |
| WYETH                       | WYE  | 411    | 33.722         | 13,859.74       | 18,252.51    | 4,392.77               |
| WYETH                       | WYE  | 175    | 42.549         | 7,446.23        | 7,771.75     | 325.52                 |
| WYETH                       | WYE  | 89     | 42.400         | 3,773.60        | 3,952.49     | 178.89                 |
| WYETH                       | WYE  | 252    | 39.920         | 10,059.92       | 11,191.32    | 1,131.40               |
| WYETH                       | WYE  | 159    | 40.398         | 6,423.39        | 7,061.19     | 637.80                 |

**PROPERTY/CASUALTY**  
**INVESTMENT SCHEDULE**  
June 30, 2006

| ASSET DESCRIPTION           | SYM  | SHARES | PURCHASE PRICE       | PURCHASE AMOUNT      | MARKET VALUE        | UNREALIZED GAIN/(LOSS) |
|-----------------------------|------|--------|----------------------|----------------------|---------------------|------------------------|
| WYETH                       | WYE  | 219    | 37.179               | 8,142.20             | 9,725.79            | 1,583.59               |
| WYETH                       | WYE  | 77     | 39.865               | 3,069.62             | 3,419.57            | 349.95                 |
| WYETH                       | WYE  | 116    | 38.242               | 4,436.14             | 5,151.56            | 715.42                 |
| WYETH                       | WYE  | 332    | 36.248               | 12,034.54            | 14,744.12           | 2,709.58               |
| WYETH                       | WYE  | 315    | 39.699               | 12,505.19            | 13,989.15           | 1,483.96               |
| WYETH                       | WYE  | 10     | 49.096               | 490.96               | 444.10              | (46.86)                |
| WYETH                       | WYE  | 27     | 49.077               | 1,325.09             | 1,199.07            | (126.02)               |
| WYETH                       | WYE  | 206    | 45.718               | 9,417.91             | 9,148.46            | (269.45)               |
| XL CAPITAL LTD CLASS A      | XL   | 535    | 65.29                | 34,931.43            | 32,795.50           | (2,135.93)             |
| XL CAPITAL LTD CLASS A      | XL   | 5      | 65.94                | 329.66               | 306.50              | (23.18)                |
| XL CAPITAL LTD CLASS A      | XL   | 101    | 65.89                | 6,655.06             | 6,191.30            | (463.76)               |
| XL CAPITAL LTD CLASS A      | XL   | 11     | 66.35                | 729.85               | 674.30              | (55.55)                |
| XL CAPITAL LTD CLASS A      | XL   | 171    | 69.840               | 11,942.64            | 10,482.30           | (1,460.34)             |
| XL CAPITAL LTD CLASS A      | XL   | 109    | 72.050               | 7,853.45             | 6,681.70            | (1,171.75)             |
| XL CAPITAL LTD CLASS A      | XL   | 305    | 72.940               | 22,246.70            | 18,696.50           | (3,550.20)             |
| XL CAPITAL LTD CLASS A      | XL   | 28     | 68.926               | 1,929.94             | 1,716.40            | (213.54)               |
| XL CAPITAL LTD CLASS A      | XL   | 3      | 66.170               | 198.51               | 183.90              | (14.61)                |
| XM SATELLITE RADIO HOLDINGS | XMSR | 3,105  | 20.598               | 63,957.72            | 45,488.25           | (18,469.47)            |
| XM SATELLITE RADIO HOLDINGS | XMSR | 1,522  | 16.506               | 25,122.28            | 22,297.30           | (2,824.98)             |
| XTO ENERGY INC              | XTO  | 2,064  | 41.938               | 86,561.89            | 91,373.28           | 4,811.39               |
| YAHOO INC                   | YHOO | 3,025  | 32.500               | 98,312.50            | 99,825.00           | 1,512.50               |
| ZIMMER HOLDINGS INC         | ZMH  | 486    | 75.668               | 36,775.04            | 27,565.92           | (9,209.12)             |
| ZIMMER HOLDINGS INC         | ZMH  | 233    | 76.624               | 17,853.53            | 13,215.76           | (4,637.77)             |
| ZIMMER HOLDINGS INC         | ZMH  | 240    | 75.600               | 18,144.00            | 13,612.80           | (4,531.20)             |
| ZIMMER HOLDINGS INC         | ZMH  | 423    | 62.909               | 26,610.55            | 23,992.56           | (2,617.99)             |
| <b>TOTAL</b>                |      |        | <b>13,740,052.31</b> | <b>14,873,604.91</b> | <b>1,133,552.60</b> |                        |